

Friday March 6 1998

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Business as usual

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Water on the Moon — our passport to the planets



Stepping stone... the Moon could provide a fuelling station between Earth and the planets

PHOTOGRAPH: FRANK ZULLOW

Tim Radford
Science Editor

A MERICAN space scientists last night astonished the world with the discovery of a huge store of frozen water on the Moon. The find by the space agency Nasa opens the way for human settlement of the Earth's nearest neighbour.

It also makes the Moon available as a kind of petrol station on the road towards deeper exploration of space. Water is made of hydrogen and oxygen, the two constituents of the costly rocket fuel that limits the range of existing spacecraft designs.

Dr Alan Binder, chief scientist behind the Lunar Prospector robot spaceprobe which began orbiting the Moon in January, said: "We have the first unquestionable results indicating that there are significant quantities of water at both lunar poles."

"The implications are tremendous. For the first time, we can go to a planetary body and we can fuel up. That fuel can be used to go to Mars and elsewhere in the solar system."

Apollo astronauts mapped 20 per cent of the Moon before Nasa cancelled the programme in 1973. They reported that it was as dry as concrete. The Moon rotates once every 28 days, each solar day lasts 14 Earth days and scientists calculated that any water in the soil would blister into space.

In 1994, however, a tiny experimental military satellite called Clementine flew past the Moon and reported mysterious hints of ice — possibly delivered by crashing comets — trapped in the cold dark shadows of craters at one of the poles. For the first time in two decades, the Moon mattered again.

The location is vital: most of the Moon is in frozen darkness for 14 Earth days every 28 days. But solar panels at the poles could make electricity at all times. Nasa scientists picked up a university proposal and fitted out a dust-bin-sized spaceprobe packed with sophisticated instruments. The mission has up to a year to run. But within



'This shows the Moon is a stepping stone right there and calling us'

Rick Tumlinson, the Frontier Foundation

weeks neutron detectors had "counted" up to 300 million metric tons — the equivalent of a lake 36ft deep and four miles square, surviving as ice in the top yards of lunar soil.

The discovery could kick-start a new rush of interest in the exploration and exploitation of what became known during the Apollo programme as the high frontier. Construction is to begin later this year on an \$18 billion international orbiting space station. It will take years, an epic number of rocket launches, and hundreds of hours of work in freefall.

United States and Japanese engineers have planned lunar bases and lunar hotels. Even European scientists have had their eyes on the Moon as a permanent base. Britain's own AEA Technology yesterday conceded that it had already investigated the possibility of commercial

exploiting lunar resources. Matra Marconi Space (MMS) in Britain and other big companies have been working with the European Space Agency on a programme called EuroMoon2000, to drop a robot on the lunar surface, and eventually put a manned team of explorers there.

"We are not only keen on the project, we have actually supported it from MMS funds," said a company spokesman, Mike Dandy, last night.

But the limiting factor has been water. The average adult male is composed of more than 70 per cent water, and needs to top up by at least four or five pints each day. A lunar base would need water for its greenhouses and to cement its own structure. The Nasa discovery removes two barriers to a Moon settlement: it provides the means of survival and a source of fuel.

The first uses are likely to be scientific. The far side of the Moon would be a perfect site for an observatory, and a lunar base would also be a cheap launch platform in one-sixth of Earth's gravity.

Dr Richard Crowther, of the Defence Evaluation and Research Agency at Farnborough, said yesterday that even rough calculations showed that it would be cheaper to make rocket fuel on the Moon than lift it from the Earth. "It makes the whole thing more economic, and opens up space for many more applications than we can currently envisage."

And Rick Tumlinson, of the Space Frontier Foundation in New York, a campaigner who first worked on the Lunar Prospector proposal at Princeton University, said: "This shows us the Moon is basically right there as a stepping stone, and calling to us. I used to say in my talks that if God had wanted humanity to go into space, He or She would have given us a moon. And They did."

More awards for the Guardian

The Guardian capped one of its most successful years last night with a raft of honours at the British Press Awards.

The Guardian won:

The Team Reporting Award for its investigation into the affairs of Jonathan Aitken and victory in the libel battle against him.

"The title goes to a team whose dogged journalistic persistence uncovered enough irrefutable evidence to send shockwaves throughout Whitehall."

Feature Writer of the Year: Nick Davies

"For sheer integrity, tenacity and outstanding narrative flow in reporting drug and child abuse."

Young Journalist of the Year: Libby Brooks

"The award goes to a clear-thinking, colourful and mature young writer."

Newspaper of the Year was won by the Daily Mail for its "all round consistent performance". The Guardian was praised as runner-up: "The judges thought it was important to commend one national newspaper for what they called the courage, initiative and sheer excellence demonstrated throughout the year."

Our sister paper, the Observer, also received awards for the financial journalist of the year, won by Ben Laurence, and columnist of the year, awarded posthumously

Masons surrender over names

Submission of list linked to police scandals avoids risk of contempt

Duncan Campbell
Crime Correspondent

THE Freemasons yesterday finally surrendered the names of members whose identity had been sought by Parliament in connection with police scandals, rather than face imprisonment for contempt.

But their most senior officials expressed disquiet at the disclosure, which they described as an erosion of long-established rights that boded ill for the country.

One of Britain's most secret bodies had until yesterday to identify which of the 161 names connected with the now distanced West Midlands serious crime squad had been Freemasons. They had been ordered to do so by Chris Mullin MP, the chairman of the Commons home affairs committee, which is inquiring into freemasonry in

the police and the judiciary. As the deadline loomed, 16 names were sent to Mr Mullin. He has already said that the names will not be made public or even released to other members of the committee. It is understood that only Mr Mullin and the clerk of the committee will be privy to the list.

The 16 masons' names "seemed" to match names on the committee's list of 161 connected with the serious crimes squad inquiry, said the grand secretary of the United Grand Lodge of England, Michael Higham. But he could not confirm that all 16 were the same as those on the list. Some were not in touch with their lodges or former lodges, he said, so consent to disclose their names could not be obtained. Others had said they would only consent if they knew what they were accused of.

In a letter to Mr Mullin, Mr

Higham wrote: "The information is provided because the [home affairs] committee is exercising its power to compel disclosure."

He said the board of general purposes of the United Grand Lodge was "extremely uncomfortable about this compulsion and has been reluctant to provide the information because, in its view, the committee's inquiry into the privacy of the members concerned, who have not consented to their names being disclosed."

He added: "In supplying the information, the board relies on the assurances which you have given that you will keep it confidential to yourself and that the names will not be disclosed to any third party."

Mr Higham later added that the board would write to the Prime Minister, the Lord Chancellor and the Home Secretary "to express its concern that long-established rights of individuals are being challenged and eroded in a country which has always prided itself on its diversity and its

tolerance and in which the right to privacy and natural justice seemed natural".

One of the members of the committee, Labour MP David Winnick, welcomed the compliance with the order.

"I'm very pleased that common sense has prevailed," he said. "It's unfortunate that it needed the committee to issue the order to them."

Mr Winnick, MP for Wall-sall North, rebutted any suggestion that the committee was persecuting the Freemasons in any way, and said he recognised that people had a right to belong to such an organisation in a democratic society.

Mr Mullin indicated that the committee would discuss the issue when it meets on Tuesday.

He had not known until yesterday whether or not the Freemasons would comply with last month's order. Had they failed to do so they faced the risk of imprisonment for contempt of Parliament, the first time such a power would have been used in such circumstances.

Camelot backs new lottery game

Julia Finch

A NEW football-related lottery game is to be launched by Ladbrokes in June alongside the National Lottery on Camelot's 24,000 computer terminals.

In line with National Lottery rules, the same proportion of every pound spent on the new football gambling game will be donated to good causes and 50 per cent of the cash wagered will be returned as prizes.

After all deductions Ladbrokes said its profit margin would be only 1.2 per cent, but chief executive Peter George said that would still ensure the company made a handsome profit. "Anyone involved in the lottery is in it for a profit," he said.

The plan — which is now being considered by lottery regulator, Oflot — has the support of Camelot, which

would receive a commission for every football ticket sold.

National Lottery rules dictate that 28p in every pound must be donated to good causes. The cash is then split between charities, heritage, sport, arts, the Millennium Commission and the Government's New Opportunities Fund.

Ladbrokes would have to return half the cash as prizes and 12p in every pound would be deducted for tax. The ticket sellers would get 5 per cent of football ticket sales and Camelot would also receive a fee. The betting shop group would have to make a payment to the Football Trust, as pools companies do.

Mr George said the company hoped to start the game in August at the start of the football season. It will be based on football results.

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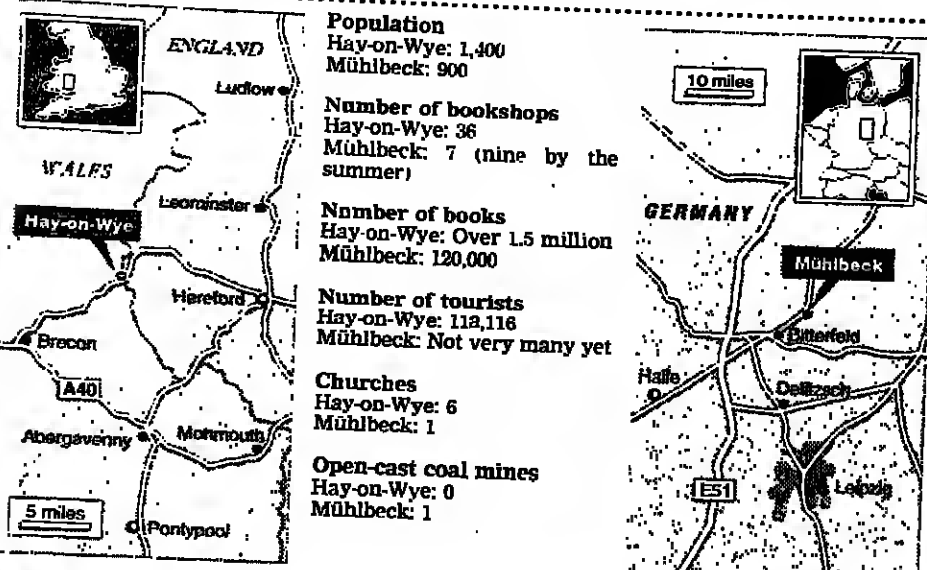
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Germans make Hay with an old idea



Hay-on-Wye, the Welsh border town, which inspired Mühlbeck

Tale of two communities



Bookshops turn new page in village fortunes

Ian Traynor in Mühlbeck

WITH its pub, pond, primary school, bakery and cemetery all nestled round the church, Mühlbeck can claim to be that rarest of post-Communist eastern German villages — a traditional village. Situated halfway between Berlin and Dresden, the sleepy village of 900 people cannot be found on the map. But Heide Dehne, a divorced mother of six, is hell-bent on changing that. Inspired by the Welsh border town of Hay-on-Wye which has become a mecca for bibliophiles, Mrs Dehne is busy converting Mühlbeck into Germany's first village of books.

The opening of her secondhand bookshop six months ago inspired the publican across the road to follow suit, turning his backroom into an antiquarian archive. Another five locals jumped on the bandwagon and opened second-hand bookshops. More are being planned and by summer there should be nine, dealing in everything from cheap and cheerful bodice-rippers to valuable first editions. "We've been collecting books for 20 months from all over Germany, starting

in my garage. There are now 120,000 books here and our biggest problem is the capacity," said Mrs Dehne, aged 55. "But it's going to be great." "The idea of having a village is to have a centre of German culture and language for all people and all purposes, for the locals who don't have much money as well as for the experts and snobs who travel a long way to come here." She moved to the village from the Cologne area after unification to run an old people's home, but later became unemployed. She read an article about Hay-on-Wye, where Richard Booth turned an old cinema into a

secondhand bookshop in the 1960s, the first of 36 specialist shops now in the town. Mr Booth launched a trend that has spread to continental Europe. There are now three book villages in France, and one each in the Netherlands, Finland, Norway and Switzerland. In the tiny Ardennes village of Redu, in Belgium, there are now as many bookshops — 24 — as there are children. The 400 inhabitants have been stunned by the stores' revenue potential, with the village drawing 300,000 visitors every year. Mrs Dehne is confident

that Mühlbeck can emulate that success and restore pride and prosperity to a depressed and disconsolate region where at least one in four workers is unemployed. Two years ago, she took her mother to Hay-on-Wye and spent a working week there grilling the dealers on the basics of the second-hand book trade, before embarking on her project. Wolfgang Metz, the mayor of Wittenberg, an abandoned ex-Soviet Red army garrison south of Berlin, also dreams of turning his town into a giant secondhand bookshop. If recent history has been unkind to Mühlbeck, the

region itself resonates with Germany's cultural pedigree. Just up the road is Wittenberg, where Martin Luther launched the Reformation. Next door is Dessau, home to the Bauhaus movement. Goethe and Schiller, Bach and Handel all worked in the nearby towns and cities of Wolfen and Weimar, Leipzig and Halle. "The thinking part of my country came from these parts," Mrs Dehne said. "That's what I realised after being brought up in the West. I started thinking, where should we have the German books village? Then I saw Mühlbeck and fell in love with it."



Karsta Synnatschke prices some of the 120,000 books on sale in Mühlbeck, which the east German villagers hope will finally put them on the map

Fears for Hong Kong media

Andrew Higgins in Beijing

IN A noisy echo of Chris Patten's clash with Rupert Murdoch, a furious debate over media freedom erupted in the last governor's former domain yesterday after an attack in Beijing on Hong Kong's government-funded broadcaster as the voice of British colonialism. Calls for a shake-up at Radio Television Hong Kong (RTHK), which models itself on the BBC, and a purge of negative reporting prompted an outcry in the former British colony and revealed signs of a rift in the post-colonial government over tolerance of criticism. The attack was launched at a meeting in the Chinese capital by Xu Simin, an 86-year-old Hong Kong publisher and member of a Chinese advisory body. He denounced RTHK as "a remnant of British rule" bent on opposing Hong Kong's post-colonial government "under the pretext of editorial independence".

Mr Patten is viewed with suspicion by many veteran pro-China figures, said: "The place for criticism and for debate is here in Hong Kong, not in the mainland. I'm sure that this is the view of people here." Joining a chorus of criticism of Mr Xu, the Chinese-language Hong Kong Economic Journal ran a headline parodying Beijing Radio's call signal: "Good morning, this is Hong Kong People's Radio." Hong Kong's pro-China camp has long lobbied for a house-cleaning at RTHK, which until the 1960s served as an unambiguous voice of British rule but has since carved out a more independent role. Mr Xu said the Democratic Party leader should not have been allowed to question a new electoral system on air and complained that Mr Tung had failed to take firm control. "Mr Tung is completely helpless. I have proposed three times that he do something. He only says 'slowly, slowly'."

The government currently has no direct control over the editorial content of public radio and TV, which receive a 200 million Hong Kong dollar annual budget. Daily radio phone-in programmes regularly mock Mr Tung. A rival phone-in on commercial radio is even more caustic. Cheung Man-yeung, RTHK's current head, said: "As a public broadcaster our first objective is to serve the public. If we start to behave like central radio we're just going to lose our audience."

The Hong Kong Journalists' Association has accused Mr Tung of rolling back moves towards more open government that began under Mr Patten. But despite concern about self-censorship, the media remains boisterously irreverent. As with Rupert Murdoch's decision to support Mr Patten's book deal with his publisher HarperCollins, the denunciation of RTHK by Mr Xu suggests a pre-emptive move rather than a power play orchestrated from Beijing. Chinese leaders have frequently criticised the Hong Kong media but there were signs of embarrassment yesterday over Mr Xu's remarks. Hong Kong's pro-Communist newspapers, which take their orders from Beijing, ignored them.

Man's TV suicide fuels Spanish euthanasia debate

Adela Gooch in Madrid

"I have a glass of water and cyanide. By drinking it I will renounce the most humiliating form of slavery" Tetraplegic Ramón Sampredo

RAMON Sampredo, a 50-year-old tetraplegic, died twice. The first time on January 12, when he drank a dose of cyanide after campaigning for nearly three decades to end his life. The second, on Wednesday night, when a video of his agonising death was shown on prime-time television. "By my side I have a glass of water and cyanide," he said on the videotape, lying prostrate in bed. "By drinking it I will renounce the most humiliating form of slavery — to be a living head tied to a dead body." Viewers then saw a hand placing a glass of clear liquid and a straw close to

him. Sampredo turned his head to drink, smiling with satisfaction afterwards. A few seconds later he grimaced and began to writhe in pain, saying, "At last, at last." The decision by Antena 3, a private station, to lead its main evening news broadcast with the video has added fire to a euthanasia debate raging since Sampredo died. Assisting death is illegal in Spain and could carry a jail sentence of up to 10 years. Some Catalan MPs voluntarily declared themselves participants in the death to help whoever aided him avoid prosecution. The Catholic Church, which countered Sampredo's campaign through a paraplegic priest who is a university lecturer

and writer, accused pro-euthanasia organisations of pressuring him. Antena 3 yesterday defended its action. "We wanted this video made to show that it had been his decision to end his own life," the station's ombudsman said. She added that the 20 seconds of tape shown had been carefully selected and the actual moment of death not shown. Members of Sampredo's family accused the media of cashing in on his death. "I don't like journalists using my brother to strike dirty deals," said Julian Sampredo. Paralysed from the neck down after a diving accident 28 years ago, Sampredo carried his battle to end his life to the top of Spain's legal sys-

tem, and to the European Court of Human Rights. Both turned him down. He took great care to protect whoever helped him. He moved out of his family home to live alone and distributed 11 copies of his flat key among friends. Police have questioned Ramona Maneiro, a woman who appears in the video and who shared the last months of Sampredo's life. They believe a pro-euthanasia group may have been involved. They are also investigating how the video reached Antena 3 when Sampredo's family expressly asked for it not to be shown, and when it formed part of evidence held by an examining magistrate working on the case.

"Ramón wanted this videotape made to show that it had been his decision to terminate his own life" Ombudsman for Antena 3 TV

Camelot backs plans for new football lottery game

continued from page 1

Ladbrokes does not believe the new jackpot game would reduce the amount gambled on the National Lottery. "Survivors have shown us that there is real demand for a product like this," said Mr George. The game will use the brand name of Vernons, whose business has been battered since the lottery started three years ago. Ladbrokes has been working on the new game for 18 months and submitted his plans to Oflot in January. The game would operate as a "second chance" six licence, which allows six lottery products to be introduced. It is the first application for such a licence.

The agreement between Ladbrokes and Camelot has been reached despite a lengthy legal dispute between the two companies. Camelot made strenuous efforts to get the bookie's "49s" game, where punters bet on a daily numbers draw, outlawed as an illegal lottery. A spokesman for rival pools company Littlewoods said it was unconcerned about the Ladbrokes plan. "Before awarding a section six licence Oflot has to be convinced it won't take money away from the main game," said a spokesman. "Therefore there is no reason to think it would take money from the pools either."

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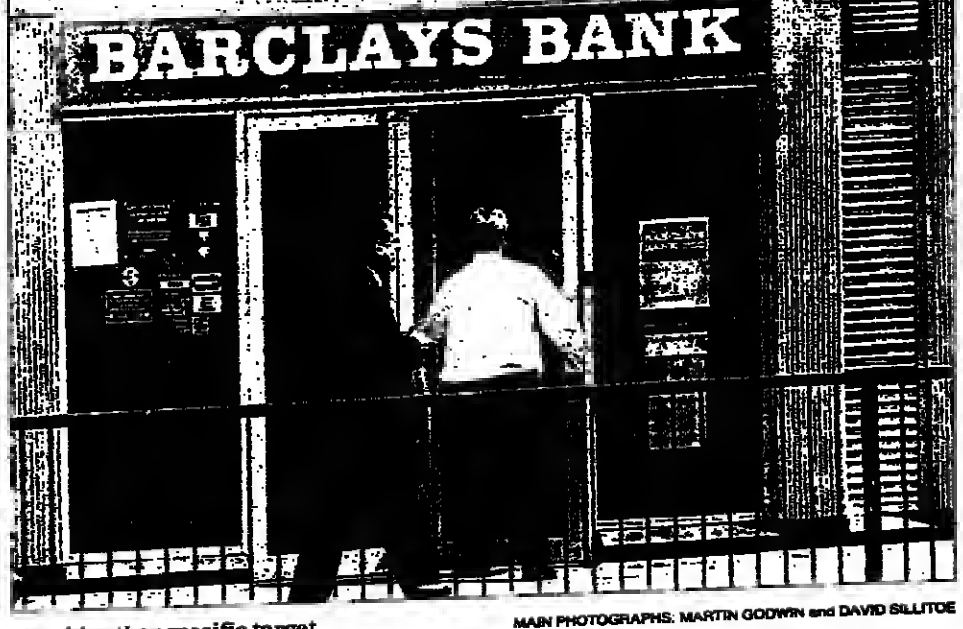
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4 BRITAIN



The 'Mardi Gra' bomber has now struck 33 times with devices that could kill. Duncan Campbell on why he has not been caught



Left, the bomber's calling card found after an attack at a branch of Barclays Bank, and, centre, his other specific target

Police still frustrated in the hunt for serial bomber

THE head of the anti-terrorist branch, Commander John Grieve, yesterday issued a warning that the 'Mardi Gra' bomber could kill if he or she was not caught.

A device which exploded near a Sainsbury store in south-east London on Wednesday night injured a 17-year-old youth who was said to be stable in hospital yesterday.

The incident, in Forest Hill, was the 33rd of the attacks which started in December, 1994. The teenager was hit as he walked past a black plastic bag. The device, consisting of a shotgun cartridge and a timer, is similar to those employed previously.

Mr Grieve said that officers from the anti-terrorist branch and the organised crime group were now exploring a

number of angles. He appealed for anyone who might know the identity of the bomber to come forward.

More than £1 million has now been spent in the hunt since the first blast 40 months ago. What is puzzling is how one person has managed to evade Europe's most experienced anti-terrorist branch and a police force of 27,000.

The police admit that the hunt has been one of the most

frustrating of recent years and say it is only a matter of time before someone is seriously injured or killed.

Detectives would have hoped for clues from three possible sources: closed circuit television; traces from the devices or from the threats the bomber has sent; or tip-offs from relatives, neighbours or acquaintances — the way that the American 'Unabomber' was eventually

found when a relative informed on him.

The bomber's ability to evade detection by the closed circuit television cameras raised the possibility that he or she — could be a former or serving police officer. The fact that no clues have been left on any of the devices also pointed to someone with anti-surveillance training. Some stations have even hinted their officers that this is a

possibility so that they do not discount any potential suspects.

A senior Scotland Yard source said: "If the question is asked — could it be a police officer — the answer is yes, it could. But it could also be a crime reporter or a nurse or anyone with that level of sophistication." There was no clue to the bomber's profession.

With the IRA ceasefire in

London holding, the police now have the resources to devote to tracking the culprit, who is clearly getting great satisfaction from eluding the police for so long.

What has puzzled police is that the bomber is neither making any money nor any political point. Despite firstly Barclays Bank and then Sainsbury being specifically targeted, no money has been paid by either and no evidence of a possible grudge against either company has emerged.

If either a financial or a political motive appeared, it would at least offer a further line to pursue. Rodney Wit-

chelo, the former police officer who carried out an extensive extortion campaign and was jailed in 1990 for 17 years, was caught when he tried to get his money from an automatic teller machine.

The police's best hope is that the bomber eventually becomes anxious for more recognition and seeks to taunt them further. Commander Grieve said that the police were very concerned because the devices had the capacity to "wound, injure or kill".

They know it could be a long haul. One senior officer said: "It was 18 years before they caught the Unabomber."

Mother-in-law no longer butt of camp jokes

Sarah Hall

HEARD the one about the mother-in-law who talks through her nose? — her month's worn out. Or the one about the mother-in-law who's fat? — they're holding a sponsored walk around her.

Or about the mother-in-law with a new job? — kick-starting a jumbo jet.

Well, you won't any more — at least at Butlin's — because the company, with which they are forever associated yesterday announced that it no longer found them funny.

Instead the politically incorrect one-liners will be replaced by more off-the-wall, alternative humour. From April to October, some 20 np and coming comedies from Jongleurs, the London comedy club which showcased Ben Elton, Barry Bremner and Jack Dee, will troop twice weekly to Skegness. Minchhead and Bognor Regis as part of a £139 million bid by Butlin's to spruce up its image.

Yesterday, the company denied old-style humour was being shelved because it was sexist and offensive. But it admitted mother-in-law jokes had become outdated in the late 1990s.

The company's director of entertainment, Kyron Jessan, said: "We realise that mother-in-law jokes — and one-line gags — are the

comedy of yesteryear, whereas the new wave comedy of the type shown at Jongleurs is what younger people in particular have come to expect. "Many leading comedians like Dave Allen and Les Dennis got their break with us. But humour changes and we need to stay ahead of the times."

Maria Kempinska, who founded Jongleurs in 1983, described the Butlin's action as "very brave".

She added: "We threw down the comedy gauntlet 15 years ago and Butlin's have now picked it up. They've done absolutely the right thing to update their image, go up-market and bring in a younger group of people."

Jongleurs veteran Jenny Eclair — star of Channel 5's Comedy Network — said: "I'd kill to do Butlin's — and I wouldn't do a mother-in-law joke, because my boyfriend's mum would kill me."

"Having said that, you can't outlaw mother-in-law jokes. It's like a red rag to a bull. It makes me want to go away and write a 20 minute sketch full of them."

But Jenny Eclair also had a warning for Butlin's. "It makes me really laugh to think they believe modern stand-up comics may be inoffensive. Some of the newer female comics have taken up the mantle of Roy 'Chubby' Brown, or Bernard Manning."

Missing youth thought to be in Gambia

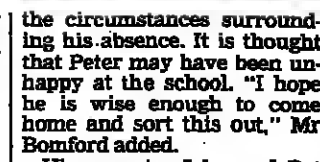
Owen Bowcott

ASCHOOLBOY who hit the headlines three years ago when he ran away to Malaysia with his father's passport and credit card, has gone missing again. Peter Kerry (above), aged 17, has raised suspicions that he is in west Africa, which could cost him a scholarship worth nearly £30,000 to a leading private college.

Leaflets about Gambia, in west Africa, were reportedly found in his bedroom.

Harrow school, north London, where he won a place last year to study A levels on the newly created John Lyon scholarship, has said he may have to forfeit the award when he returns.

"The whole question of his future here will be up for consideration," Nicholas Bomford, the headmaster, said yesterday. Forfeiture of the scholarship was a possibility, but the school needed to know



the circumstances surrounding his absence. It is thought that Peter may have been unhappy at the school. "I hope he is wise enough to come home and sort this out," Mr Bomford added.

His parents, John and Pat Kerry, who live near the school in Harrow, do not know whether he has taken his passport or any money.

"This is a bit of a setback, more for him than for us," said his father, who is recovering from a cancer operation.

Mr Kerry, who works for a courier firm near Heathrow airport, paid for Peter to go on a 10-week trip to Australia, South-east Asia and eastern Europe as a reward for obtaining eight As and two Bs in his GCSEs.

"We hoped that would get it out of his system, but there seems to be no end to it," Mr Kerry said. "I've got great confidence in the boy. He's been all over the place and he's not come a cropper yet."

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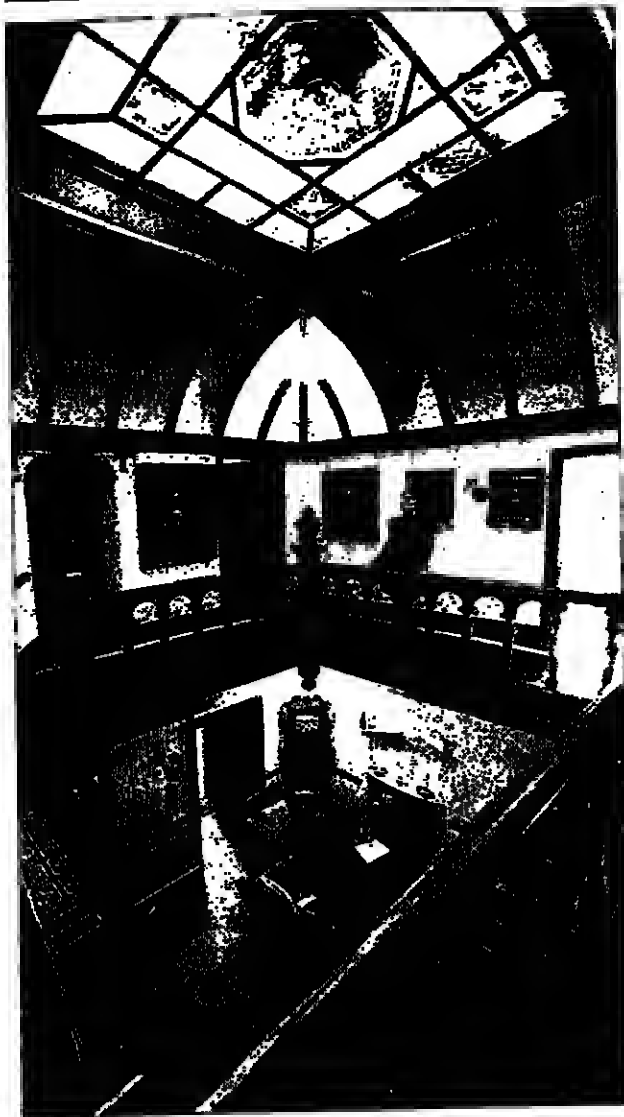
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House that was so typical it has become unique

The interior and exterior of Sunnycroft and (right) one of its converted gas mantles
PHOTOGRAPHS: DON MCPHEE

Maev Kennedy

NOTHING could be more superbly ordinary than the National Trust's latest property, including its name: Sunnycroft. The red brick suburban villa in Shropshire has come with all its contents straight from the world of Just William — a little bit too grand for the Browns, not quite grand enough for



Violet Elizabeth Bott, but with a warren of outhouses and sheds for the Outlaws to take refuge in. "There were hundreds of thousands of houses just like this on the edge of every town and city. Now, as far as we know, it's unique," said Simon Murray, the trust's regional manager. The house still stands in six acres of gardens just five minutes' walk out of Wellington, a prosperous

market town now surprised to find itself part of Teitford. All of Sunnycroft's peers have had luxury homes built on their gardens or have been split up into flats or converted into nursing homes. Sunnycroft was owned by four generations of the same family since it was built at the end of the 19th century. They were local manufacturers, pillars of the bench, the golf club and

the masons. They added the odd electric fire to Sunnycroft, but kept the old cast-iron radiators and all the other solid Victorian and Edwardian fittings, since they never wore out. The house was left to the trust last year by Joan Lander, with all its contents and £840,000. The contents included the fruit from the garden, which Miss Lander was still bottling up to the year she died, aged 80; a bucket of 40-year-old eggs



preserved in isinglass; the Daimler in the coach house; 50 stacks of old copies of Country Life; Edwardian parlour games, and enough Wright's coal tar soap for a lifetime — or more than a lifetime as it turned out. Miss Lander was a noted needlewoman who worked with the Royal School of Needlework on the Queen's coronation robes. She gave courses and ran her needlework kit business from the house.

After Julian Gibbs, historical building adviser, examined the house and gardens, he concluded that it was not only worth preserving but exceptionally rare and of national importance. After some restoration work the trust will be seeking sympathetic tenants to live in the house, feed the chickens, and mow the tennis court and open it to the public two days a week from summer 1999.

Before you go shopping this weekend, check out the Q's.

Q. Is Air Conditioning included?
A. It certainly is.

Q. How about a really sexy cloth trim interior?
A. What about security?

Q. Airbags?
A. Driver's and front passenger's.

Q. Is there a choice of engines?
A. SURE: 1.4, 1.6 PETROL AND 1.9 TURBO DIESEL.

Q. ELECTRIC FRONT WINDOWS?
A. OF COURSE!

Q. DOES IT HAVE CLIP CENTRAL LOCKING?
A. IT DOES.

Q. HOW SPECIAL ARE THESE 306 SPECIAL EDITIONS?
A. Very, very special.

Q. Do I have to pay extra for alloy wheels?
A. Nope.

Q. Is the steering wheel height adjustable?
A. Absolutely. As are the front seat belts and head restraints.

Q. Tinted glass, a possibility?
A. Tinted glass, a certainty.

Q. FINANCE!
WHAT'S YOUR BEST?
A. How about 2 Years' 0% Finance?*

Q. How about a really sexy cloth trim interior?
A. What about security?

Q. Airbags?
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Millions of fish killed by pollutant

Amelia Gentleman

SCIENTISTS were struggling last night to identify a pollutant which has killed over 3 million fish in one of Britain's worst river poisoning incidents.

As environmentalists assessed the long term damage caused by the contaminant, Environment Agency officials said they thought that they had located the village where the substance was released.

Agency representatives were focusing on farms and businesses around Little Bedwyn, in Wiltshire — the farthest point upstream from where dead fish have been found. They believe pollution entered the Kennet and Avon Canal near the village and spread downstream to the Berkshire trout farm, near Hungerford, killing its entire stock of over 150 tonnes of trout on Wednesday.

Tests on the dead fish and the water in the canal and adjoining River Dun have so far not identified the poison.

An Environment Agency spokeswoman said: "It is unusual that it is taking so long to identify the substance, given that we have been testing solidly since Wednesday morning and that a team of 30 biologists, eco-toxicologists and pollution experts have been called in. The pollutant is not showing up on our laboratory tests and the fish don't show any obvious signs

of damage. We still aren't sure how they are dying."

Michael Steveson, the farm's owner, who raised the alarm when he noticed that his fish were dying by the thousand, was working with the Environment Agency to clear an estimated 30 skip loads of dead fish before they began to rot. "It is an awful sight, all these dead fish just piled up — it breaks your heart," he said.

An unknown number of roach, bream, gudgeon and perch have died in the canal and many others were showing signs of distress and discolouring, the agency said. A rat and two ducks have died in the area, but scientists said other river wildlife was apparently unaffected.

Thames Water yesterday reassured customer that supplies to homes and businesses had not been affected. Michael Warhurst, a Friends of the Earth pollution campaigner, said that it was impossible to tell how permanent the damage to the local eco-system would be until the pollutant was identified.

"It is a shocking incident," he said. "It is clearly a very powerful toxin that has very severe effects even in low concentrations."

Water poisoning incidents are frequently caused by small businesses and farms which pour chemicals — such as sheep dip — down the drain or into rivers to avoid the cost of disposing of them correctly.

Guardian praised for 'courage and sheer excellence' at awards

Kamal Ahmed

THE GUARDIAN was praised for its "courage and sheer excellence" at the British Press Awards last night, rounding off one of its most successful years. It won three awards a week after it was named Newspaper of the Year in the What the Papers Say awards.

The newspaper was awarded the team reporting award for its investigation into the affairs of Jonathan Aitken, Nick Davies won the feature writer of the year award, and Libby Brooks was awarded the Cecil Harcourt King young journalist of the year award.

The Daily Mail was named Newspaper of the Year, with the Guardian picked out for special praise by the judges.

The full results are: Newspaper of the Year: Daily Mail; Reporter of the Year: W F "Bill" Davies, the Telegraph; Financial Journalist of the Year: Ben Lowman, the Observer; Scoop of the Year: James Whitaker, the Daily Mail; and Dred, the Mirror.

Sports Reporter of the Year: Harry Harris, the Mirror.

Business Journalist of the Year: Neil Bennett, Sunday Telegraph.

Columnist of the Year: Ruth Pridmore, the Observer.

Foreign Reporter of the Year: Anna Antonowicz, the Mirror.

Young Journalist of the Year: Libby Brooks, the Guardian.

Interviewer of the Year: Lesley White, Sunday Times.

Critic of the Year: Alexander Walker, Evening Standard.

Specialist Reporter of the Year: Chris Doyle, the Telegraph.

Feature Writer of the Year: Nick Davies, the Guardian.

Team Reporting Award: the Guardian.

Aitken Investigation.

Special Writer of the Year: Michael Parkinson, the Independent.

Photographer of the Year: David Ashdown, the Independent.

Cartoonist of the Year: Matt Pritchett, the Telegraph.

No Journalist of the Year was chosen.

Three Guardian journalists, Luke Harding, David Leigh and David Pallister, have been shortlisted for the prestigious George Orwell Memorial Fund book prize for The Liar, an account of the Jonathan Aitken case. In the second journalism category, the shortlist includes Guardian writers George Monbiot and Polly Toynbee and the Observer's Nick Cohen.

What exactly is American energy? It's the thing you're meant to find here, that bit of exhilaration, that buzz, that crack.
Bill Buford

This section page 12

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Page 8

Glint of change in 100 years of Pearly male tradition

Russhid Nicol

THE accents may differ but the monarchs of London's East End have heard the calls for modernising the Windsors and realised that their own royal families may have to change.

The Pearly Kings, the sparky Cockneys known for doing the Lambeth Walk, are to try to bolster their numbers by giving their daughters equal right of succession.

The move follows the Royal Family's tacit decision to support a government proposal allowing princesses equal rights to throne of Great Britain.

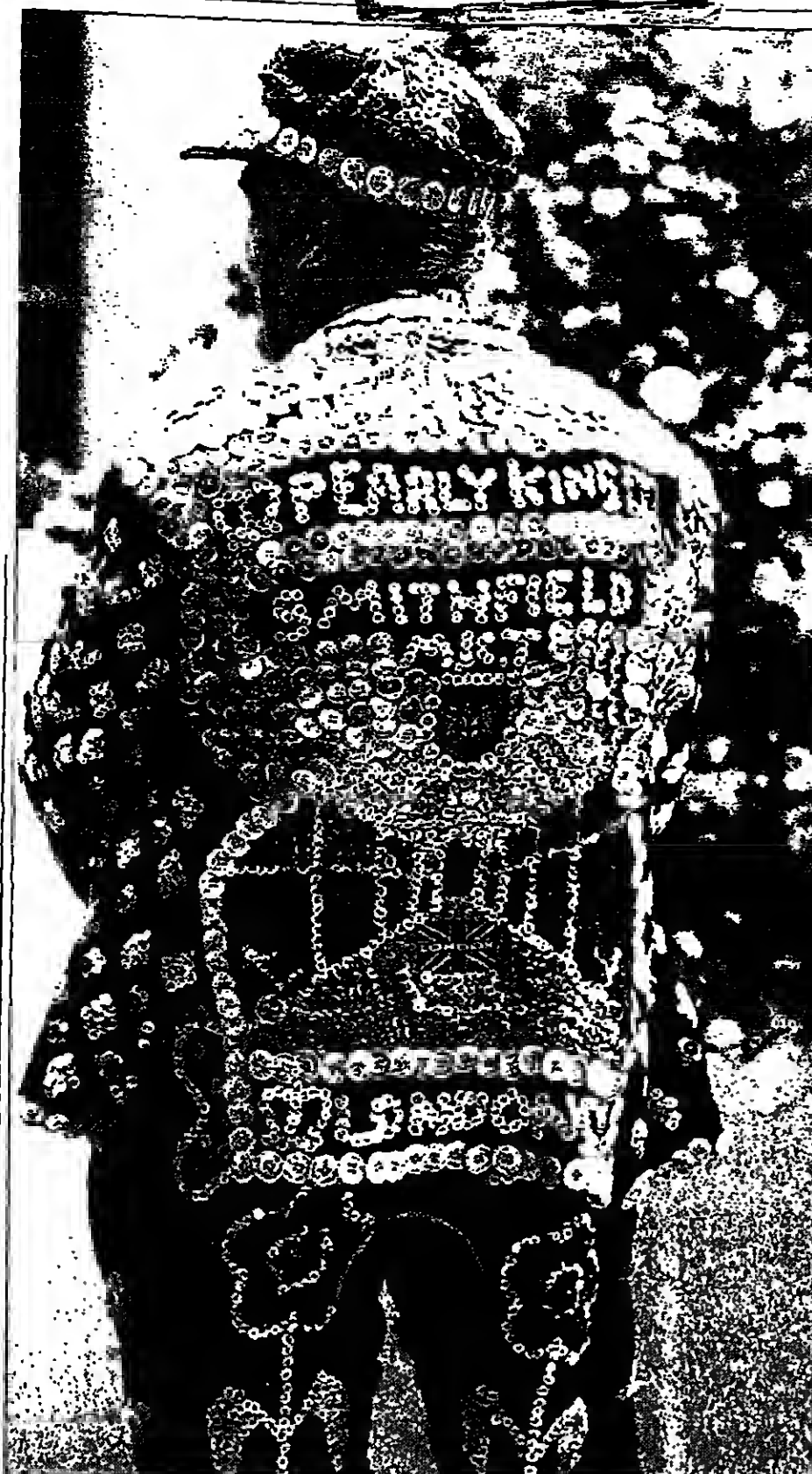
"We've got to keep up with the times," said George Major, the Pearly King of Peckham. "We think it's right that the Royal Family is going to change, that's one of the reasons why we are changing our constitution too."

The move, if it goes ahead, will break a century-old tradition of the Pearly crown following the male line. Despite his confidence, Mr Major will have to face tough opposition among his fellow monarchs when the Pearly Guild meet in two months' time.

"My grandfather passed the title to my father and he to me," said Aine Dole, the Pearly King of St Pancras. "I want my crown to pass to one of my sons."

The Pearly movement was founded in 1875 by Henry Croft, a rat catcher and road-sweeper, who grew up in an orphanage near King's Cross. He was a tiny man, less than 5ft tall, who dedicated himself to helping the poor.

At the time the costermongers, who sold fruit in the East End, used to sew buttons to their bell bottom trousers to attract customers' attention. Croft tried unsuccessfully to



A Pearly King proudly wears his traditional shimmering costume as he waits to meet the Queen Mother on her visit to the modernised East Market at Smithfield last year

convince them to donate money to the poor. Legend says he found a sunken harp on the Thames full of mother of pearl buttons. He salvaged a portion

and sewed them on his suit, appearing as a shimmering figure. The suits quickly became fashionable among costermongers, whose clan chiefs

were crowned Pearly Kings in the boroughs of east and south London. Ever since, they have rallied their tins on the streets of London to collect for charity.

Men turned on officer after one was rebuked for urinating in street

Teachers jailed for attack on PC after drinking bout

Jamie Wilson

TWO teachers were each sent to jail for two months yesterday for assaulting a policeman who reprimanded one of them for urinating in the street.

Michael Feeney, aged 32, and Mark Jones, 26, who teach at the Boswells school in Chelmsford, Essex, admitted assaulting PC Matthew Turner in Chelmsford town centre in December. They were each given a four-month sentence, with two months of it suspended.

In a statement read out in court, PC Turner described the incident as "the most frightening moment of my career to date".

Chelmsford magistrates were told that the two teachers would almost certainly lose their jobs at the school, where Feeney is head of sociology and Jones head of chemistry.

Both looked shocked as they were led from court in handcuffs to begin their sentences.

The two admitted assault at a hearing in January, but sentencing was adjourned to allow magistrates to consider reports and watch a closed circuit television video of the incident which showed them struggling with the policeman.

The court heard that PC Turner, 26, a policeman for two years, was injured in the groin and the chin, and was



Mark Jones... grabbed policeman's radio



Michael Feeney... shouted in officer's face

off work for a week. He had been on patrol at about 1.20am when he found Feeney urinating. He reprimanded him, but was in turn abused by Feeney and Jones.

In the constable's statement, read out by Fiona Hardman, prosecuting, he said the teachers had been out drinking with colleagues, and he told them both to go home as quickly as they could.

The men were swearing and shouting. "Haven't you got anything better to do?" and "There are not enough toilets in this town."

He continued his patrol and later came across the men in

an alley where Feeney called the officer "stupid and crazy".

In the statement PC Turner said Feeney was standing a foot away from him and shouting in his face.

He told Feeney he was going to be arrested for being drunk and disorderly. At that point Jones intervened by grabbing the officer's radio and preventing him from calling for assistance.

He was then pulled to the ground by the two men and knelt in the groin by Jones. "I watched them both bring their knees up into my thighs," he lost his radio, be-

ton, glasses and helmet in the struggle, but managed to pull the two men out of the alley and into the road, where he knew CCTV cameras would be filming.

He had then managed to pull Feeney's legs from under him and regain his radio from Jones. He drew his baton and ordered the man to the ground before calling for assistance.

A bystander helped restrain Jones before other officers arrived and the two were arrested.

Roger Brice said on behalf of Feeney that what happened was out of character. "It escalated in a moment of complete madness."

Stephen Chesney said on behalf of Jones that he had no previous convictions and that he was normally a responsible member of the community.

Magistrate David Lucas told the men they would each serve two months of their sentence in prison, and the remaining two months would be suspended. "The court has decided the offence is so serious that custody is the only way of dealing with it."

Each of the men was also ordered to pay £200 compensation to their victim and £50 costs.

The headmaster of the Boswells school, Kevin Arkell, yesterday expressed shock at the outcome of the case. "We will carry out our own investigation of all the evidence to ensure that suitable disciplinary action is taken."



Starting out on a second chance and ready to study (from left) John Busby, Michael Pattison and Melanie Smith

PHOTOGRAPH: CHRISTOPHER THOMSON

£1bn student debt 'sold off'

John Carvel
Education Editor

THE Government yesterday offloaded £1 billion of student debt to NatWest Bank, which agreed to maintain the existing repayment terms for borrowers, including rates of interest limited to the rate of inflation.

It was the first move towards privatising a student debt portfolio worth £2.5 billion. N M Rothschild, advisers to the sale, said up to £2 billion more would be sold off next year.

Proposals to offload the debt were prepared by Conservative ministers and the expected receipts written into the public spending plans inherited by Labour. David Blunkett, the Education and Employment Secretary, would have had a big hole in his schools or university budget if he had not gone ahead with them.

Don Foster, the Liberal

Democrat education spokesman, warned last night that the deal was a fire sale because the Treasury had to offer the bankers a generous interest rate subsidy and indemnity for bad debt in order to secure the arrangement before the end of the financial year.

The Government refused to reveal the terms, saying they were a matter of commercial confidence.

Rothschilds said the Treasury would receive the £1 billion face value of the debt immediately, but NatWest might be indemnified if students defaulted on less than 5 per cent of the debt.

Kim Howells, the junior education minister, said students would notice little difference and their repayments would continue to be collected by the Student Loans Company.

Iain Crawford, an academic specialising in student debt issues, said it was "an ideal which the Government had no option but to accept".

'Smart' lorry driver is allowed to stand out from uniform crowd

Sarah Hall

IT IS a triumph for old-fashioned sartorial elegance over modern, casual dressing. A lorry driver who was told he faced the sack if he insisted on wearing a collar and tie to work has won his battle to dress smartly.

John Humphries, a 62-year-old former RAF man, refused to trade his dark blue trousers, light blue shirt and red-and-grey striped tie for his firm's new official uniform of blue-and-grey T-shirts, sweat-shirts and bodywarmers.

And, after four months' ne-

gotiation with BRS Engineering, for which he has worked for 10 years, Mr Humphries has escaped being metaphorically collared by swapping his job on the road for one in the depot.

Yesterday, the father of two, from Banbury, Oxfordshire, said: "This new uniform just wasn't me. If I had a 42-inch chest, perhaps the rugby shirt would have been OK."

"But it was a complete disaster for an old man of 62." He added: "I always wear a collar and tie - even at weekends. I just like to look smart and feel smart."

News in brief

Acid trial stopped for new inquiries

THE trial of a Devon businessman accused of arranging a nitric acid attack that mistakenly scarred a babysitter was adjourned yesterday to allow further inquiries to be made before the trial resumes today. Judge Graham Cottle told the jury at Exeter crown court that there had been a development. "I am not really able to say more than that. Further inquiries and investigations are being made."

Peter Humphrey, aged 51, from Axminster, Devon, denies one charge of aiding and abetting a person or persons unknown to cause grievous bodily harm with intent to Susan Humphrey, his estranged wife. The prosecution alleges the attacker threw acid in the face of the 21-year-old babysitter, Beverley Hammett, in July 1996. — Geoffrey Gibbs

Politically corrected TV

THE Black and White Minstrels and Miss World are set to return to television screens this Easter in a celebration of politically incorrect programmes. It emerged, but not in their full, politically incorrect form. The documentary One Million Years FC will put the once-popular Minstrels in context for a new generation of viewers, and Miss World will be the subject of another documentary as part of a themed Politically Incorrect Night on BBC2 on Easter Monday.

"We are not going to show the whole of a programme that you could deem politically incorrect in any way at all," a BBC Entertainment spokeswoman said in shocked tones.

Broadmoor man killed lover

FORMER Broadmoor inmate Paul Beecham murdered his lover and buried her under her patio, an inquest heard yesterday. Beecham, aged 53, killed Rita Riddlesworth, aged 51, with a single blow to the head. Two weeks later he killed himself with a shotgun in the bedroom of their home in Bracknell, Berkshire.

Beecham was sent to Broadmoor in 1969 after murdering his mother, father, grandfather and grandmother, with a semi-automatic rifle. He was released in 1985 and moved into Mrs Riddlesworth's home in Bracknell after meeting her through the League of Friends at Broadmoor.

East Berkshire coroner Robert Wilson recorded a verdict that Mrs Riddlesworth was unlawfully killed and that Beecham committed suicide.

Riddle of Oasis tape

MANAGERS of rock band Oasis say they cannot confirm whether a tape claimed to contain early songs by Noel Gallagher is genuine. The tape, of eight previously unknown songs, has been put up for auction next month by an anonymous female vendor and is expected to fetch £5,000.

But the group's management firm, Ignition, says it has had no contact with the woman and has no way of checking it. London auctioneer Christie's is selling the tape - said to be recorded in 1988 - and handwritten lyrics as lots in a pop and guitar sale on April 30. The seller said the songs were recorded especially for her by Oasis songwriter and guitarist Gallagher whom she befriended in the 1980s.

How popes enjoyed high office

SEVERAL senior figures in the Vatican at the turn of the century were keen consumers of a wine fortified with cocaine, according to a book published yesterday. Popes Pius X and Leo XIII both enjoyed drinking a tonic of wine laced with cocaine invented in 1863 and known as Vin Mariani, according to the Encyclopaedia of Psychoactive Substances, written by Richard Rudgley and published by Little Brown. Leo XIII was so fond of the drink he gave the manufacturer, a Corsican called Angelo Mariani, a gold medal. — Madeleine Bunting

Pupils who failed get new chance to flourish

Martin Walmerwright

BRITAIN'S first "second chance" school was launched yesterday, to pioneer a helping hand scheme for the country's 45,000 young people who have left school with no qualifications.

Entry to the pilot college in Leeds, which was opened by David Blunkett, the Education Secretary, and Edith Cresson, the European education commissioner, will reverse the usual competitive entry formula by offering priority to its most disadvantaged applicants.

Persistent truants, previously disruptive pupils and dyslexia victims are among the first 60 young people to enrol at the £1 million Second Chance School, where the roll is due to rise to 300.

Leeds beat 10 other British local authorities to win European Commission backing and a £150,000 European social fund grant for the centre, which follows similar initiatives in Bilbao, Spain, and Marseilles in France.

Mr Blunkett said that the school was designed to have a strongly vocational element, restoring pupils' confidence and building links with local employers.

Students will be entitled to remain on benefit while studying on the basis that they are available for work, and the curriculum has been tailored to link with the Government's welfare-to-work programme for the young jobless.

"We are all having to get used to changes in society which mean that a second chance, a third chance or even a fourth may become necessary as we have to learn new skills and adapt ourselves to qualify for new jobs," he said.

"Anyone who thinks that we're still in the days when you left school and thought 'that's education finished' is in for a rude shock."

Mrs Cresson, a former prime minister of France, said that second chance schools were also designed to be innovative, with freedom for local variations at pilot schemes in member countries of the European Union.

Leeds will shortly be joined by eight other second chance schools, from Cologne in Germany to Seixal in Portugal, all with a strong emphasis on information technology as well as basic literacy and numeracy skills.

"An example of fresh ideas can be seen at Marseilles' second chance college," she said, "where they have appointed one member of staff not to teach but simply to be there, to give unlimited time to pupils who simply want someone available to discuss their work, their problems or their plans."

"We will be pleased and interested to see what other ideas emerge as the schools are set up."

The Leeds college, which is open to pupils aged 16-24, will build on ideas on which trials have already been held

in the city, at the former East Leeds high school, which will now become the second-chance pupils' base.

Helped in its European Commission bid by the Government's regional office, the Labour-controlled council converted the redundant comprehensive building 18 months ago into a "family learning centre" to stimulate a return to education in the surrounding, severely disadvantaged Seacroft area.

"What has evolved here is a successful partnership between central government, local schools, training and enterprise and the council, which has seen more than 2,000 people enrol for courses," said Brian Walker, leader of Leeds city council.

"Twenty years ago, it was all much simpler - children left school and went into jobs, often as not lined up through their mums and dads."

"But today those networks have broken down and new measures like the Second Chance School are the way to replace them."

The school will be monitored by the Department for Education and Employment, which will sanction further second chance centres if Leeds and its European counterparts prove a success.

Mr Blunkett said that new schools were likely to be organised through local authorities, further education colleges and the private sector, liaising with the Welfare-to-Work scheme.

Case studies

Melanie Smith

Age 23
Left comprehensive in Leeds without qualifications: "I wasn't right good at writing and spelling." Worked packing ice lollies and in a local beanbag factory. Heard about the Second Chance school while signing on. "I wanted to better myself. They said: 'Give it a try'."

Studying: computers, English, office skills. "I didn't know what a mouse was when I came here - now I'm designing and printing the school's publicity flyers."

Jack Busby
Age 18
Effectively left school at 14 - "We moved to Leeds and there wasn't a school that'd take me. I was dyslexic and no one seemed able to cope." Worked in dead-end jobs, then heard about Second Chance.

Studying: reading and writing, art and design, AppleMac skills and maths. "What I'm learning should really help towards the job I want - being a graphic designer."

Michael Pattison
Age 23
Truanted a lot after father's death. Only qualification: GCSE history, grade D. Joined YTS scheme training greynolds but "it wasn't me". Enrolled on Second Chance four weeks ago. Studying: computer skills and information technology, literacy and design. "In the four weeks I've been here I must have packed in more than I learnt in all my years at school."

When I played, England were a soft touch, a team you would improve your points average against. But times change."

Terry Cobner, WRU director

Sport98 page 8

8 BRITAIN Needs of women over 45 'ignored'

Sarah Boseley
Health correspondent

WOMEN over 45 make up a fifth of the population and yet their health needs tend to be ignored, a study claimed yesterday.

The Pennell Report, the result of 18 months' work on the needs of older women, says that the NHS could save up to £1 billion if more were done to keep them healthier longer, avoiding early death and disability.

Frank Dobson, the Health Secretary, was among those who attended a conference in London yesterday to discuss the findings.

Dame Rennie Fritchie, chairwoman of the Pennell Initiative, which aims to raise awareness of the problems, said she thought women over 45 tended to be forgotten. "It is very difficult to generalise. However, we are of interest to society as consumers, employees and to look at, as mothers, as all those things, until our middle years. Then we somehow become less important."

"Very often I think that that affects women's views of themselves. Women tend to put everybody else first and themselves last."

"We have become stoical and stalwart about thinking this is our lot."

There are messages in the report not only for health professionals but for women themselves.

They should not neglect their health and fitness in middle age but think as hard about diet, exercise, smoking, sexual health, alcohol and drug misuse as they did about planning an adequate pension.

The Pennell Initiative started as an attempt to

out the myths from the facts on hormone replacement therapy (HRT), which some claim is a rejuvenating wonder drug while others warn of side-effects.

The report comes down generally in favour of HRT, finding that any small increased risk of breast cancer was far outweighed by its benefits in preventing osteoporosis (brittle bones) and heart disease, which are two of the main health problems for women over 45.

The Department of Health should produce impartial guidelines on the risks and benefits of HRT so that women could make an informed choice.

One of the most surprising findings of the report is that most drugs are tested on men, and the effects generalised to women. This happens with coronary heart disease, which kills 21 per cent of women in this age group, and yet is generally seen as a male problem.

Dame Rennie said that even when drug trials were related specifically to women's health, such as gynaecological problems, the team found that male rats rather than female rats were used in tests, because the female cycle interfered with results.

To help women in middle and older age stay fitter and healthier, doctors, nurses and other healthcare workers should be careful not to slip into latent ageism.

Women were too often told "it's your age" without being given the sort of upbeat advice and access to services that would enable them to get fitter.

Women now expected to be healthy and sexually active way beyond the point where they would have been considered old in the past — and certainly beyond the menopause.

Row over nuclear cash to sponsor Scouts' badge

Rory Carroll

THOSE glows in the dark may not be camp fires. The Scout Association has struck a £30,000 sponsorship deal which will see the British Nuclear Fuels logo emblazoned on proficiency badges.

Tony Juniper, campaign director for Friends of the Earth, accused BNFL of cynically cashing in on the Scouts' good image.

"This is the typical strategy of a company which finds itself fielding fierce public criticism and turns to a cash-strapped good cause to buy a public relations advantage through relatively small amounts of money," he said. "It is the most cynical PR."

BNFL will pay the Scout Association £30,000 over three years in return for its name on the Scouts' badge.

The UK's 600,000 Scouts will be given access to BNFL's scientists, laboratories and visitor centre at Sellafield nuclear power station in Cumbria. They will get help to complete the tasks needed to earn the badge, including science experiments and finding out about the weather and the natural world.

Mr Juniper said, how-

ever: "BNFL have dodgy science — and if they think they can make it credible by linking it to young people's education they are desperately mistaken."

John Fogg, spokesman for the Scout Association, said the deal was still true to the technology-loving ethos of Lord Baden-Powell, who founded the movement in 1907. Mr Fogg said: "As far as BNFL itself is concerned we do not have a view or judgement that is adverse about this organisation."

The deal will provide desperately needed funds but more importantly make it easier for Scouts to get through this badge by giving benefits in kind.

Mr Fogg said any sponsorship deal was bound to attract criticism from some quarters. A Scout Association policy agreed three years ago drew the line at sponsorship from tobacco or alcohol companies.

Other sponsored badges include photography (Dixons), mechanics (AA), hobbyist (Meccano) and road safety (Vauxhall).

Ann Johnson, spokeswoman for BNFL, said the project would encourage Scouts to think about science and engineering as a future career.

Cerebral palsy victim gets £20,000 for council neglect

James Melville

ACEREBRAL palsy victim and his parents are to receive £20,000 compensation for the "appalling catalogue of neglect" they suffered at the hands of Bristol city council.

The 19-year-old, who cannot walk or talk, spent much of his life in unsuitable council properties with his parents either having to carry him up or down stairs or bathe him in a kitchen, the local government ombudsman, Jerry White, said yesterday.

His report found that the family, who cannot be identified, had suffered "very substantial" injustice from the

council whose maladministration must have taken "enormous toll" on their health and wellbeing.

The amount recommended as an ex-gratia payment is among the highest awarded for a housing complaint.

Mr White said the family, who have now moved into an adapted prefabricated home, had endured unsatisfactory accommodation for nearly seven years longer than they should have after officers blocked an exchange of council homes between the family and the boy's grandfather, whose home had a chairlift, because of the grandfather's rent arrears, and did not consider making an exception to its rules.



Combat gear... Potential recruits to the Household Cavalry have a look round its armoured vehicles, and the uniform for more ceremonial occasions. PHOTOGRAPH: SEAN SMITH

General vows that his 'crusade' against racism will change the guard at Buckingham Palace

David Fairhall
Defence Correspondent

THE prospect of the Ministry of Defence being humiliated by legal action under the Race Relations Act receded yesterday as the Household Cavalry — an elite formation with a particularly bad record of racial discrimination — played host to its Knightsbridge barracks in London to dozens of the black and Asian youngsters it now hopes to recruit.

Major General Evelyn Webb-Carter, the commander of the Household Division (which includes both Foot and Horse Guards), said that increasing recruitment from

the ethnic minorities had become "something of a personal crusade".

Since he took command nine months ago, he has doubled the number of ethnic minority soldiers to 22, out of a division totalling 3,500 men and women.

There was clearly a long way to go, he admitted, but his commanding officers were "crystal clear" about his determination to make the division representative of the nation — that is, with 6-7 per cent from the ethnic minorities — within 2½ years. If there were serious instances of racial harassment, he added, those responsible could face dismissal.

Also present at yesterday's

open day was Bob Purkiss of the Commission for Racial Equality.

Two years ago the commission threatened the Ministry of Defence with a "non-discrimination order" under the 1976 Race Relations Act, that is, direct intervention to enforce a policy of non-discrimination — unless it put its house in order.

Mr Purkiss acknowledged that "such a long heritage of neglect cannot be flicked away overnight", but detected a new determination to change the situation. "This is going to work," he said.

The commission will meet on Wednesday to decide whether to lift the threat of legal sanctions.

Anorexia 'may have killed' student



Kevin Jenkins: 'exceptionally gifted'

Owen Bowcott

ABRILLIANT post-graduate student weighed just six stone when found dead in his Leeds home, an inquest heard yesterday.

Kevin Jenkins, 29, who had been awarded degrees by Cambridge, Edinburgh and Birmingham universities, had "bones protruding from his skin" when he was discovered dead in his flat last November.

The Leeds university student, who was nearly six feet tall, had been pursuing a doctorate in geography.

At an inquest in Wakefield, the coroner, David Hinchliff, said that he had to record an open verdict because the pathologist could find no natural disease which could have caused his death.

Eating disorders like anorexia, however, could affect the heart and cause hypothermia, as well as malnutrition.

"It seemed the deceased's weight was a problem. The evidence pointed to him having an eating disorder. He did not appear to think it important to look after himself and could have neglected himself."

"He had an extremely good future, but had scant regard for his own wellbeing as

regards food and nourishment. The phenomenon giving rise to his death is a possible eating disorder."

Mr Jenkins's father, Allen Jenkins, from Ormskirk, Lancashire, said he had known his son was not in good physical shape, but that he would not live at home because he liked his freedom.

Two years earlier, his son had completed a gruelling 500-mile walk in Spain. "When he came home he ate normally. In our eyes our son was not anorexic. It just wasn't true that he didn't eat and wouldn't eat," said Mr Jenkins.

"We could see that he was painfully thin and we accept

that lack of weight was one of the factors which led to his death. But we don't think of him as being anorexic."

"We all thought if he could do all these things, how could he be ill? As I look back on my son's life I can see that he clearly had problems, but he was a very independent person. He was also a very dutiful son, one of whom we were immensely proud not just for all the degrees he achieved but because he was a very loving person."

His course tutor at Leeds university, Jamie Woodward, said: "He was an exceptionally gifted individual, an extremely bright and dedicated

student. His death is a tragic waste and a great loss to the department."

The Rev Jonathan Pye, chaplain of the university church which Mr Jenkins attended, said: "Kevin was open and sociable. He would go out for a drink with his friends. He didn't fit the anorexic stereotype of an isolated, reclusive individual."

Mr Jenkins's flatmate, Salt Uyanik, 21, a law student from Turkey, said students living at the flat would eat together but he only ever saw Kevin use the communal kitchen to get a glass of water during the two months he lived there.



Groombridge Place Gardens, near Tunbridge Wells, Kent, has taken delivery of rare Tasmanian tree ferns. Although the plants are on the endangered list, the gardens were granted a special licence to import them from Australia. The imported specimens are 20 ft high and 200 years old. The ferns grow slowly — one foot in 10 years. PHOTOGRAPH: GARRY WEAVER

Union campaigns for right to 'life or death' gas, water and electricity for poorer users

David Ward

BRTAIN'S biggest union yesterday began a campaign to ensure that everyone, however poor, has the right to uninterrupted supplies of gas, water and electricity.

"It's a matter of life and death," said Rodney Bickerstaffe, general secretary of Unison, the public services union. "No one's household should be devoid of fuel or water for any reason. It's a basic dignity that ought to be there as a matter of course."

The union claims pre-payment meters used by more than 4.5 million consumers

penalise the poor, who are forced to "disconnect" themselves when they cannot afford any more fuel or water.

In a 10-minute video the union highlights the case of Max Greaves, aged eight, who died in 1996 in a blaze at his home in Liverpool. The fire was started by candles lit by his mother after her pre-paid electricity supply ran out.

"Society does not have to be like this... While some of the utilities make billions, some of their consumers do not have enough resources to see them through the week," Mr Bickerstaffe said at the campaign launch in Manchester.

Tony Blair is to be sent the union's fuel and water pov-

erty charter, calling for justice for low-income consumers and the right to a basic minimum amount of fuel.

Research for the union in London and Wales found that the poor pay more for power and water than the better off, with the difference between pre-payment and direct debit costs as much as £76 a year.

Mr Bickerstaffe said it was one of the "cruellest ironies" that people with pre-payment meters paid higher standing charges than other customers.

Last month in the High Court, a group of local councils successfully challenged the use of water pre-payment meters, and it is unlikely any more will be installed.

Nanny Louise Woodward returns to court for appeal against conviction for killing baby

Joanna Coles in New York

LAWYERS for Louise Woodward will today seek to overturn her conviction last autumn for killing a nine-month-old baby in her care.

The appeal, to be heard in Boston in Massachusetts, is unusual because state prosecutors are simultaneously appealing against the trial judge's decision to release the British nanny from jail 10 days after a jury found her guilty of the second degree murder of Matthew Eappen.

Saying he wanted to avoid a miscarriage of justice, Judge Elliot Zobel changed the conviction to manslaughter and

decided that Woodward's 279 days in custody awaiting trial would count as her sentence. A campaign in her home village of Elton near Chester, and in the British press, had proclaimed her innocence.

The prosecutors claim that the judge abused his powers, and want the jury verdict and sentence of life imprisonment reinstated. Legal experts in the United States yesterday warned that Woodward, aged 20, might go back to jail. "I think there's a 50-50 chance," said Wendy Murphy, a former prosecutor.

Also unusual is the decision by Woodward's lawyers, led by Barry Scheck, who defended O J Simpson, not to

seek a retrial. They want an outright acquittal or, failing that, confirmation of the manslaughter conviction and "time served" sentence.

Pending the appeal, Woodward has been living in the care of one of her lawyers since November. Yesterday it was announced she would attend the appeal hearing. Her parents, Sue and Gary, arrived in Boston a week ago.

Each side will have 25 minutes to present their argument, the panel of seven judges has already studied documentary evidence submitted in written appeals last December. The panel's decision is not expected immediately.

Herbs lead
trail of de
Kosovo

News in brief

Hospital bombed by Khartoum plane

A SUDANESE government plane bombed a hospital at Yei town in territory held by rebels yesterday, killing seven people and wounding 46, the charity which runs the hospital said. The Norwegian People's Aid said five of the 13 bombs hit the hospital directly, destroying the operating theatre and an evacuation bunker in the grounds.

The hospital treats rebel soldiers, civilians and government prisoners of war. The Sudan People's Liberation Army, which wants self-determination for the south, captured Yei and much of Equatoria province a year ago. — Reuters, Nairobi.

Aide signals Abacha's plans

A SENIOR aide of the Nigerian military ruler Sani Abacha yesterday gave the clearest official signal yet that General Abacha plans to stand in the presidential election in August. Sule Hamman, the general's political adviser, told thousands of supporters at a state-backed rally in the capital Abuja that they would "not be disappointed" when his decision was revealed. Gen Abacha, who took power in 1993, has promised to restore democracy in October.

In Lagos, 38 democracy activists were released on bail after being arrested on Tuesday during a march against Gen Abacha's staying in power. — Reuters, Abuja.

Fire hits Zimbabwean TUC

A FIRE gutted the offices of the Zimbabwe Congress of Trade Unions in Bulawayo yesterday, the day after a two-day national strike against the government.

Locks on the office door were broken and there were other signs that the fire was deliberate. It appeared to confirm the fears of the union's leaders and supporters that they are in danger of retaliation from President Robert Mugabe's government, which has issued numerous threats that strike organisers would face "drastic and punitive action". — Andrew Meldrum, Harare.

UN campaigns to help women

THE United Nations launched an international campaign yesterday to eradicate female circumcision. An estimated 120 million women have been circumcised, and the operation is believed to be performed each year on more than 2 million young girls, mainly in Africa and Asian countries.

Launching the three-year campaign in London, Wafar Dirie, a 24-year-old Somali-born model, said: "Women have no power over it at all. I was strong enough to survive and I want to make a difference." She rejected claims of a religious connection, adding: "It's a man-made rule." — Reuters.

Miami mayor out in cold

A COURT in Florida has thrown out the results of Miami's mayoral election in November, citing evidence of "a massive, well-orchestrated and well-orchestrated" election fraud. Judge Thomas Wilson Jr heard testimony from voters, most of them elderly, who said their signatures had been forged or pressure had been put on them to sign ballots they had not marked.

The defeated incumbent, Joe Carollo, brought the case after Xavier Suarez won. At least three people have been arrested in connection with vote fraud. — Los Angeles Times, Miami.

Colombia bolsters troops

THE COLOMBIAN army poured more troops yesterday into a battleground in the south where Marxist rebels claim to have dealt the military its bloodiest defeat in more than 30 years of war.

General José Sanchoval, second-in-command of the air force, said troops were being airlifted to Caqueta province from barracks throughout the country in support of more than 1,000 reinforcements flown in on Wednesday.

He said the fate of 120 soldiers from an elite counter-insurgency unit attacked by Revolutionary Armed Forces of Colombia rebels on Tuesday was unknown. Few claims to have killed 70 soldiers and taken eight prisoner. — Reuters, Florencia.

Yeltsin denounces Latvia

PRESIDENT Boris Yeltsin accused Latvia yesterday of "blatant" human rights violations in sending police to beat Russian-speaking pensioners at a protest in Riga on Tuesday. His spokesman said there could be "no talk" about negotiating a meeting between Mr Yeltsin and the Latvian president, Guntis Ulmanis.

Mr Ulmanis said he was "categorically against" linking the rally to the ethnic question. "I think there were people of various nationalities present," he said. — AP, Moscow.

Inspector returns to Iraq

SCOTT RITTER, a United Nations weapons inspector accused by Baghdad of spying for the United States, and at the centre of January's crisis over arms inspections, arrived in Iraq yesterday, an Iraqi source said. — Reuters, Baghdad.

Giant tumour removed

DOCTORS in eastern Hungary have removed a 64lb tumour from a man's stomach, the local news agency MTI reported yesterday. Surgeons at the Gyula Kenezs hospital in Debrecen carried out the operation after his weight suddenly increased by that amount last year and he complained of feeling unwell. Initial tests showed the tumour was benign. — Reuters, Budapest.

China acts to limit fallout from regional meltdown

Andrew Higgins in Beijing

THE Chinese prime minister, Li Peng, outlined plans yesterday to slash the bloated bureaucracy, reinvigorate state industry and push other reforms that will make millions redundant in the hope of preventing the economy succumbing to the financial turmoil sweeping Asia.

The commitment to further market-orientated change came on the opening day of the National People's Congress, the largely impotent body which meets once a year to endorse policy and personnel changes decided by the Communist Party.

Mr Li said China must "learn a lesson" from the wreckage that has buried the economic hopes of China's neighbours, and "advance confidently towards the 21st century".

The speech to 2,944 delegates in the Great Hall of the People was his swan-song as prime minister, a post he has held for 10 years but must relinquish because it is con-



Li Peng: announced steps to reform crumbling economy

stitutionally limited to two terms. He will be replaced by Zhu Rongji, a politburo member and former mayor of Shanghai.

His address ranged from economic strategy affecting a fifth of the world's population to a call for more chain stores. But there was no reference to political reform.

As he spoke, sniffer dogs patrolled Tiananmen Square outside and police monitored the movements of migrants from Xinjiang, a restive region in China's far west

CIA training Arafat's spies

Tim Weiner in Washington

THE CIA has been training the security forces of the Palestinian Authority in the arts of espionage, information-gathering, interrogation and other security techniques, according to United States government officials.

With Israel's knowledge, CIA counter-terrorism and covert operations officers have been instructing senior and middle-ranking Palestinian security officials in the US since mid-1996, the officials said. FBI agents who work at the CIA's Counterterrorism Centre have helped with training.

The programme has two aims, the officials said. The first is to improve the Palestinian security forces' professionalism and ability to identify and arrest suspected terrorists. The second is to increase Israeli government confidence in the Palestinians.

The CIA teaches its trainees non-violent interrogation techniques. Its lessons prohibit torture. The Palestinian security services have "commonly" tortured detainees, killing many of the 14 people who have died in their custody in the past three years, according to Human Rights Watch.

The training takes place within a broader programme of co-operation between the CIA, the Palestinian security

services and Israel's internal security force, Shin Bet. The CIA station chief in Israel has been the go-between and referee under the agreement, which seeks to combat terrorism by militant Islamic

services go back 25 years. In 1973 Yasser Arafat sent an emissary to a secret meeting with Vernon Walters, then deputy director of central intelligence. He wanted to discuss how to prevent "radical

From 1973 to 1978 Fatah's security chief gave the US tips about plots involving radical Palestinian groups

groups such as Hamas and, ultimately, to strengthen the frayed regional peace effort.

George Tenet, the director of central intelligence, helped to make the agreement in 1996 when he was deputy director.

The CIA's ties to the Palest-

inian services go back 25 years. In 1973 Yasser Arafat sent an emissary to a secret meeting with Vernon Walters, then deputy director of central intelligence. He wanted to discuss how to prevent "radical

assaults" on the early peace process between Arabs and Israelis, according to the memoirs of the former US secretary of state Henry Kissinger.

The emissary was the late Ali Hassan Salameh, security chief of Mr Arafat's faction of

the Palestine Liberation Organisation, Fatah. Salameh was then on Israeli intelligence's most-wanted list for masterminding the murder of 11 Israeli athletes at the 1972 Munich Olympics.

From 1973 to 1978 Salameh, better known as Abu Hassan, provided the US and its allies with tips about the assassination plots of radical Palestinian organisations and other Arab terrorist groups.

The CIA set up a network of contacts in the PLO and guerrilla groups in Lebanon. Its

leading Middle East expert, Robert Ames, and its officers in Beirut reached an understanding with the PLO through contacts with Salameh, under which the US em-

bassy in Lebanon, which

housed the Beirut CIA station, was protected from harm.

In January 1979 Salameh was killed by a booby-trapped car in West Beirut. Israel's foreign intelligence service, Mossad, is thought to have set the bomb. In April 1983 Ames and at least six other CIA officers were killed when Islamic militants blew up the US embassy in Beirut.

These killings damaged the agency's deepest connections with Palestinian organisations in the 1980s. The con-

tacts and the insights they provided were difficult to re-

create, according to retired agency officials. The training programme with the Palestin-

ian security services may help recreate them, other officials said. — New York Times.

Cook promotes dual policy for Middle East

Ian Black, Diplomatic Editor

BRITAIN unveiled a two-pronged European Union plan to revive the peace talks between Israel and the Palestinians last night, while simultaneously promising to do more to relieve the suffering of the Iraqi people.

Robin Cook, the Foreign Secretary, announced the start of "an intensive European effort" to cajole the parties into movement, persuade the United States to intervene more actively, and assuage Arab anger at the way the West has focused on Saddam Hussein's banned weapons but not put pressure on Israel.

Mr Cook told the Anglo-Arab Association that Tony Blair had written to Bill Clinton, Yasser Arafat and Benjamin Netanyahu this week "stressing the importance we attach to the peace process".

Mr Netanyahu is seeing Mr Blair on Sunday but he made it clear yesterday that he saw little role for Europeans.

"Europeans know nothing about the Middle East," he said in Madrid. "Our problem with Europe is that all of you have a colonial past and think the hills of Jerusalem and Samaria are like those France occupied in Algeria and Spain occupied in the Philippines."

"Only the United States understands us, and not, as

many people believe, because there is a large Jewish community there, but because they identify with us as the new promised land, as is America itself."

Mr Cook, who leaves on a six-country Middle East tour later this month, to be followed by Mr Blair in April, said Britain and its EU partners wanted immediate steps taken.

These include "substantial, credible and urgent further (troop) redeployments", a halt to the expansion of settlements, and the opening of Gaza airport. The Palestinians are being asked to meet their security commitments under the Oslo self-rule accord.

But Arab governments, angry at what they see as the application of double standards to Iraq and Israel, are unlikely to be convinced that Britain is doing more than blindly support US policy.

There was disappointment last year when Mr Cook twice postponed Middle East tours. His only visit to the region was to Saudi Arabia and Kuwait last month at the height of the Iraq crisis.

On the Iraqi front, Mr Cook said Britain would host a conference to work out how Europe can help the UN with a swift implementation of the expanded oil-for-food programme, designed to relieve the suffering of ordinary Iraqis under UN sanctions.



A girl washes pots recovered from the debris of her home, levelled by a flash flood which hit her village near Turbat in south-west Pakistan yesterday. About 150 bodies have been recovered; 1,500 people are missing. PHOTOGRAPH: AMIR DURSHEH

Clinton admitted exchanging gifts with Lewinsky

Martin Kettle in Washington

WHILE continuing to deny that he ever had a sexual relationship with Monica Lewinsky, President Clinton has admitted on oath that he exchanged gifts with the former White House intern and that he talked to his friend Vernon Jordan about his efforts to find her a new job, according to new accounts published in Washington.

A detailed account of Mr

Clinton's five hours of testimony on January 17 to lawyers acting for Paula Jones in her sexual harassment case was published in yesterday's Washington Post.

The White House said it was "stunned" by the leak but confirmed its accuracy. Mr Clinton's lawyers said the leak was "repugnant, abhorrent and unethical" and called for an FBI inquiry.

The Washington Post's account says that Mr Clinton denied having a sexual relationship of any kind with Ms Lewinsky. He said

that he met her on "perhaps five occasions" and that they might have been alone together.

Mr Clinton also acknowledged exchanging gifts with Ms Lewinsky. He said she gave him a tie and at least one book, while he gave her sonvenirs from his holiday at Martha's Vineyard. He did not dispute that he may have given her a hat pin, a gold brooch and a book of Walt Whitman's poems. He said Ms Lewinsky and other interns once brought him pizza in the

Oval Office during the government shutdown in 1995.

Mr Clinton said he knew that his secretary, Betty Currie, and Mr Jordan started looking for work for Ms Lewinsky after his lawyers learned that she was a potential witness in the Jones case. Mr Clinton said that this was not done at his suggestion, but that he believed it was proper.

Mr Jordan, who testified for a second day before a grand jury in Washington yesterday, has said he began to look for a job for

Ms Lewinsky after a call from Mrs Currie, and that he had assumed the request originated with Mr Clinton.

According to the Washington Post, Mr Clinton "appeared to keep his composure and answered in measured terms". His answers to many questions were "imprecise" but he

answered sexual allegations with "firm, unequivocal sentences or unequivocal one-word answers like 'No'".

The paper's account suggests that he walked into a trap set by the office of

the independent prosecutor Kenneth Starr and Mrs Jones's lawyers. On the previous evening, Ms Lewinsky's friend Linda Tripp had given details to the Jones team of her conversations with Ms Lewinsky about Mr Clinton, including one taped with the assistance of Mr Starr's office.

As a result, Mr Clinton was surprised by having to answer extremely detailed questions from Mrs Jones's lawyers about his relationships with Ms Lewinsky and other women.

Bomb kills 32 in Colombo

Susannah Price in Colombo

AT LEAST 32 people were killed in Sri Lanka capital, Colombo, when a suicide bomber blew up a mini-bus in front of a police station near the city centre.

The bomb, which was packed with ball bearings, and injured more than 200 people and wrecked cars and shops.

Security sources said the bomber, a member of the Liberation Tigers of Tamil Eelam, had been forced to set off the bomb prematurely because his mini-bus was being chased by police after being involved in an accident. His path was blocked outside the police station at Maradana, and the bus exploded as two officers were about to board it. They were killed, along with 29 civilians nearby.

Witnesses said at least two vans carrying schoolchildren were caught up in the explosion, and schoolbags stained with blood were seen scattered in the blast area. The police said they believed at least five children had died, but hospital authorities did not confirm this.

"There was a huge blast and

smoke everywhere," said Pushpa Kumara, who was driving a van behind the mini-bus. "My windscreen blew out. I don't know how I escaped. I just got out and ran."

All that remained of the mini-bus after the blast was the twisted wreck of the chassis. The force of the explosion hurled one car into the police station compound.

The bomber's intended destination remains a mystery, but the use of ball bearings appeared to be aimed at causing the maximum number of casualties.

Government analysts said the bomb had been designed for use against a motorcade. There are suggestions that the mini-bus could have been heading for the parliament building on the outskirts.

This is the third suicide bomb attack in as many months and is a further setback for the government of Chandrika Kumaratunga, who came to power pledged to end the violence.

In January a truck packed with explosives was detonated outside the country's second city, Kandy, and last month a suicide bomber blew herself up at a military checkpoint in Colombo.



Rescuers and fire-fighters clear wreckage from a Tamil Tigers' bus bomb that killed 32 people in a busy area of Colombo

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Analysis The rail giveaway

How the Tories deserted Sid and ripped off the public

Major's minions were determined to sell off the rail network – at whatever cost – before Labour came to power. What can Prescott do about it? **Alex Brummer** investigates

OF ALL the publicly-owned enterprises transferred to the private sector by the Tories, the British Rail sell-off was both the most complex in its construction – some 25 separate train operating companies were created – and the most hurried. Now it has been confirmed by the Audit Commission that it was really The Great Railway Giveaway – for taxpayers lost up to £1.1 billion in the rushed sale of BR's three rolling stock companies.

John Major's administration tackled the exercise like a government obsessed. Caught in an ideological wilderness after Thatcher, completing the programme of privatisation which was the core of her revolution was one of the few ways in which Major could prove his right-wing/free enterprise credentials, as he struggled with the European issue.

But it was also essential for fiscal reasons. Years of Conservative tax cutting, together with the recession of 1989/91, destroyed Tory claims to be fit custodians of public finances. It required both huge tax increases of £17 billion over two years, and an acceleration of the privatisation programme to restore a measure of equilibrium. This meant selling off even the heavily subsidised public assets: British Rail and the nuclear industry.

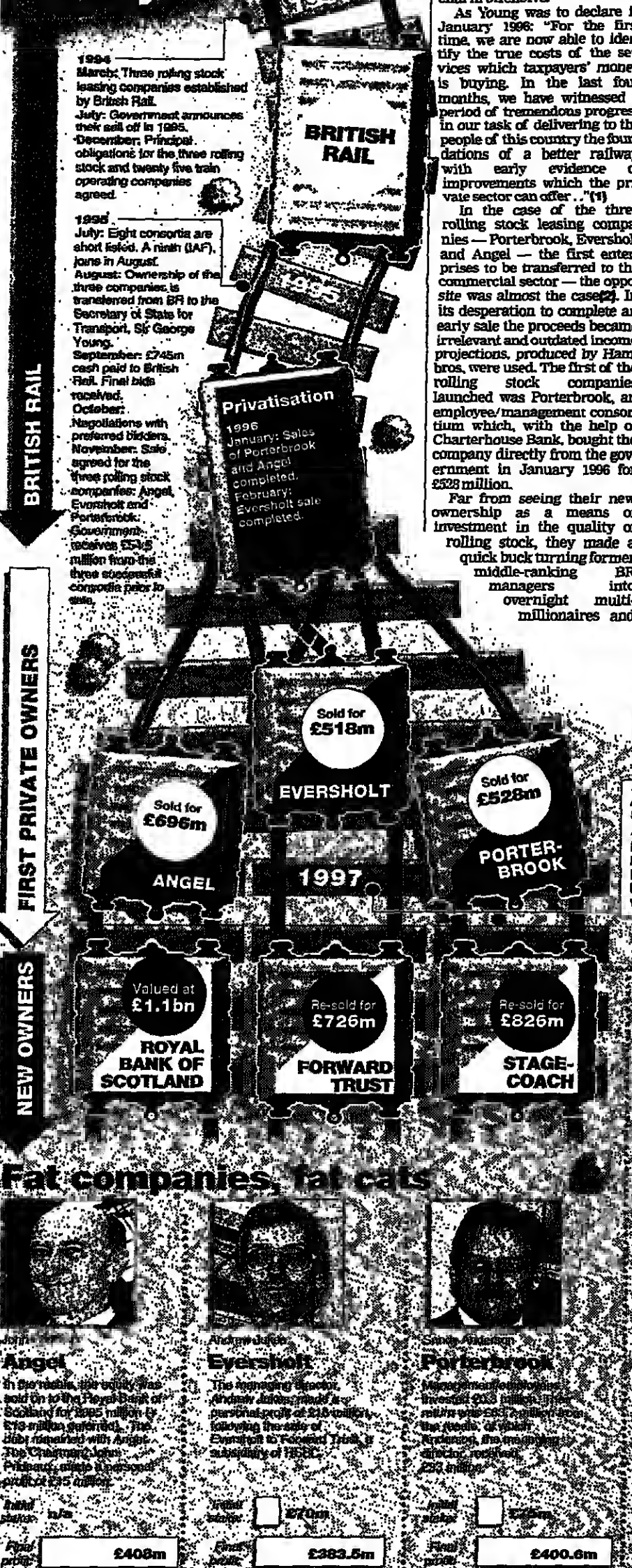
The Tories' preferred means

of selling companies always has been through a public offering on the stock market. This has enormous advantages. Ever since the "Sid" privatisation of British Gas in 1986, such issues have been extremely popular with the public. Indeed they fostered the concept of popular capitalism in Britain, giving ordinary people a stake in the stock market.

But when it came to rail privatisation this principle was abandoned, until the very end of the process when Railtrack – which owns the lines, signalling and the stations – was sold in May 1996. There were several reasons for the change of tack. Firstly, it would have been almost impossible for either the Government or the City to prepare itself for the sale of the three rolling stock leasing companies at the centre of the current profiteering scandal – and the 25 separate rail franchises – in the time available. Moreover, unless a sufficient number of rolling stock and operating companies were put into the private sector before Railtrack was sold off, professional investors would not have touched it.

Secondly, the rolling stock companies and rail franchises would be difficult for private investors to analyse. There was no track record to rely on, profit forecasts were all but notional and to the uninitiated looked like high risk

Sale of the century



netting huge profits for their financial backers. In August of the same year, with Railtrack now a quoted stock market company and the political pressure off, the company sold itself to Stagecoach, the aggressive bus operator, for £226 million – a 58 per cent profit in a matter of months.

THE story was much the same at Eversholt. Taken out of the public sector in February 1997 by a management buyout group which included two big venture capital funds – Candover and Electra – for £218 million, and sold on to the Forward Trust Group (part of Midland Bank) for £226 million, yielding a 40 per cent profit. The biggest profit of all was taken by an industrial consortium brought together by the Japanese investment bank Norinura, and its financial wizard, Guy Hands. Normura bought in a trade sale for £690 million and sold on for £1.1 billion, netting a 58 per cent profit and turning Mr Hands into the highest paid executive in Britain, with an anticipated bonus of £40 million.

The mishandling of the rolling stock companies which, according to the Auditor General, Sir John Bourn, cost the taxpayer £1.1 billion in potential lost proceeds, is of course only the tip of the iceberg. The NAO office has so far examined the sale of the franchises of only three of the 25 operating companies all of which need careful inspection given the proposal to sell Great Western Holdings to FirstGroup. The deal would make yet another group of British Rail executives multi-millionaires at the taxpayers' expense. The sums being collected in second-

phase trade sales of franchises are beginning to dwarf the million made by the directors of the public electricity utilities. Moreover, because the value of the franchises was underestimated so also was the public sale price of Railtrack which included some of the plum property assets in Britain.

Conservative defenders of the great railway giveaway argue that those BR executives and financial backers who shelled out for rolling stock and operating companies took an enormous risk. Perhaps. But all the evidence from the NAO report demonstrates precisely the opposite: that in the great rail bazaar, leading civil servants and ministers acted against the public interest in a timetable forced by political expediency.

The Environment Minister, John Prescott, has moved to put an end to the profiteering on the backs of taxpayers by blocking the sale of Great Western Holding.

In much the same way as Gordon Brown has clawed £5 billion of profits back from the public utilities in his first budget, it should not be beyond the wit of the Chancellor and the Inland Revenue to design measures to return to the taxpayer the extraordinary gains made on rail assets and to invest them genuinely in a high quality network.

Sources: (1) Department of Transport Press Notice, January 1996; (2) Privatisation of the Rolling Stock Leasing Companies. Report by the Comptroller & Auditor General HC 575 5 March 1998, £12.65.

Graphics sources: National Audit Office report: Privatisation of the Rolling Stock Leasing Companies, HMSO, Office of Passenger Rail Franchising annual report 1996/7, Angel, Eversholt and Porterbrook press offices, Graphicals: Paddy Allen, Friburn Sheehy, Research: Mike Keating and Jane Crinion. Alex Brummer is the Guardian's financial editor and joint author of Weinstock, the Life & Times of Britain's Premier Industrialist, published by HarperCollins.

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Bomb kills 32 in Colombo

Diary
Matthew Norman

THINGS do not improve for Peter Stothard, beleaguered editor of the Times. Widely ridiculed for coverage of the Patten book row and savaged by his own China expert Jonathan Mirsky, yesterday he was reduced to writing a self-apology. And now it gets even worse. Coming to poor old Stodgy's rescue is Lord Harris of High Cross, one of the six independent directors of the Times. "My impression," says Lord H, "is that he is a very independent" (good to hear independence playing such a central role in Rupert's liberal empire) "and capable man. The likelihood of him kowtowing to Mr Murdoch is remote." Lord H is making quite a habit of riding to the aid of damsels in distress. He is currently raising £150,000, you will recall, to enable Neil Hamilton to sue Mohamed al-Fayed for libel. Somehow, in the light of this, you wonder if his endorsement is quite what Stodgy needs right now.

MEANWHILE, there is some relief for Mr Murdoch. "Ha ha ha ha ha," erupts Michael Winner, that champion of free speech, when my colleague Simon Bowers asks if he will be giving up his columns in the Sunday Times and News of the World. "I think in the real world, everyone knows that journalists are not allowed to write hostile pieces about their proprietor." (Might Michael narrowly have missed the point? "No, I shall not be withdrawing my services." Phew.)

THE influence of Mandy Mandelson spreads across the planet. Indeed, according to his former office boy Dolly Draper, it has now reached Outer Mongolia. Dolly reports that a certain Mr Enkh-bayar, leader of the Communist Party there, visited Whitehall last week, and proudly told all he met that his party has dispensed with the red star. The new symbol for Mongolian Communism is the red rose. "We hope one day to govern for the many, not the few," said a spokesman when we called. "But as we say in New Mongolia, there are tough choices ahead."

WHILE that one-time bearded revolutionist Peter Hitchens appears in Prospect magazine denouncing the 1960s, disturbing rumours reach us that his rightwing madman persona is nothing but a front. In 1978, an old friend from York University rang the Express news desk, and was astonished when he picked up the phone. "Pete, what are you doing there?" he said. "Don't worry," said Peter, "you have to infiltrate the establishment in order to overthrow it." So was he then — and is he now — a member of an underground communist cell? "No," he replies, a little too quickly, before agreeing that this is just the sort of blarney that you'd expect from a subversive traitor. The details are going to MIS.

I AM delighted to hear that, despite widespread ridicule, Harold Brooke-Baker continues to flog his splendid "Burke's Peerage World Book of..." (a range of works chronicling the heinous of various surnames around the world). William Wallace sends in a mail shot. "Dear Mr WJ Wallace," it begins. Fans of Harold, the matchless — or, in this case, literally peerless — authority on titles will be unsurprised to learn that for several years, Mr Wallace has been Lord Wallace. We ask Harold how he would crush those unkind souls who might interpret such mistakes as an indication that he is a complete and utter charlatan? "Why do you say charlatan?" he replies. "I'm not trying to fool anyone." And he is so.



Don't complain that the free market rules our lives: you voted for it



Decca Aitkenhead

SOME time ago, I found myself watching the television consumer programme Watchdog. A collection of pet owners were gathered around Ann Robinson, clutching their dogs in collective indignation. They had paid a fixed premium for their pet insurance for years; now that their dogs had grown frail, the insurance companies had upped the price. How could this be fair? Was it possible, after all these years, that what the companies really cared about was not the well-being of the darling pugs at all, but the squalid business of making money? The same injured disbelief toward business practice has shuddered through the publishing world this week. "One is appalled to think that someone can buy a publishing firm like a soap factory," swooned a HarperCollins novelist. "It seems that free speech and Mr Murdoch are now a total contradiction," discovered another. "Rupert Murdoch's attitude is unprofessional," Doris Lessing gasped. "It is so shocking I can't find words for it."

If you felt kindly, you'd put such bovine naivety down to novelists' other-worldly charm. A less generous soul might doubt that they'd ever honestly imagined Mr Murdoch owned a publishing house because he loved a good read. As HarperCollins writers queue to get their affront on the record, you wonder whether they are motivated more by an attachment to free speech, or by the awful prospect of being embarrassed at the next dinner party. At least Simon Heffer had the decency to admit "if I am being honest, I can claim only self-interest. I do not wish my

good name as a writer of books to be tarnished." Analysts talk of the incident being a PR catastrophe for Murdoch. The only serious PR problem is for his employees, who now feel required to look ashamed at dinner parties. But what scandalous discovery have we made about their boss? Simply that he will do whatever he needs to in order to make more money. This is hardly news. Perhaps his writers were too busy admiring their pay cheques to notice when he banned the BBC from his pan-Asia cable channel. The week's only interesting revelation is that, very occasionally, someone in Murdoch's empire makes a mistake. It is easy, particularly when working for the Guardian, to sneer at those who take the Murdoch shilling. Stuart Proffitt's very name can raise a snigger. Sure enough, the only reason people choose to work for Rupert Murdoch is because he pays them so much money, and Murdoch knows this. It is a crude, cynical deal struck by both sides — but it is a mistake to be too sanctimonious about it. Writing for Rupert Murdoch is a legitimate choice, people ought to pay the mortgage, and if they want to do it, fair enough. It's not on, however, to sup with the devil, then complain, as one ovelist has, that "this business leaves a sour taste in the mouth". But the saga is much more interesting than a free-market dogma about HarperCollins and free speech. Those implicated in NewsCorp have indulged in extravagant, expedient outrage in order to protect their reputations. That was predictable. "If I am being honest," I can claim only self-interest. I do not wish my

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New kitsch on the block



Bill Buford

WHAT exactly is American energy? It's the thing you're meant to find here, that bit of exhilaration, that buzz, that crack. As in, America: oo history, only a few museums, oot all that much culture, and the television is crap, but — isn't the energy just thrilling? The question occurred to me when I was standing in front of an old building called the Empire on 42nd Street, near Times Square. It wasn't, I have to admit, looking particularly energetic. For the first 25 years of its life, the Empire, a squat square thing with lots of classical bits stuck on to its front — was a proper theatre, one of 72 theatres that, (when Broadway was Broadway), put on 250 different shows a year: vaudeville and melodrama, and the long, long run of Able's Irish Rose. Bud Abbott and Lou Costello met at the Empire. Clark Gable acted there, as did a young Lawrence Olivier. Then came the Depression, and the war, and thousands of soldiers looking for a good bad time, and most of the grand, gaudy buildings around Times Square were boarded up. Midnight Cowboy — hustling among the peep shows and sickos — was filmed just across from the Empire — an abandoned building by then, its seats and its carpets long ago looted.

But it was also a protected one, and last Sunday, the Empire, with its classical bits still intact, was moved 180 feet from its original location, between 7th and 8th Avenues, to the corner. It was an expensive operation — this was the largest New York building to be moved in its entirety — and I went along to watch. To effect the move, six sets of railway tracks were laid down, and, with sophisticated hydraulics, the Empire, severed from its foundation, was lifted an eighth of an inch and slipped on to a heavy platform that workers succeeded in sliding along at a pace of about two feet an hour. Giant cartoon versions of Abbott and Costello were out in front, doing most of the pulling. The governor came down from the state capital to toast their achievement. Times Square, as you possibly know, is undergoing some changes, and the shifting of a \$7.5 million building to the edge of the block is part of the project. Shifted thus, it satisfies an architect's sense of symmetry: to the right will be the new Empire, which will actually be nothing more than an elaborate entrance to a

complex of 26 cinemas, and to the far left, matching the Empire's garish classical touches, will be a new branch of Madame Tussaud's. Well, I thought, as I joined the applauding spectators, what a lot of fuss for a bit of symmetry, but what I was really witnessing, I realised, was a celebration of kitsch on a grand scale. Nothing can be too obvious or too vulgar. Nothing can cost too much money to make money. Garish means gain. I haven't met Bruce Ratner, the emperor behind the Empire, but I met one of his team players, fellow entertainment developer David Emil. Mr Emil runs two New York institutions: the bar at the top of the World Trade Center, the city's tallest building, and the bar at the top of the Rockefeller Center (what used to be the tallest building). Both places have vertigo, vulgarity, and a very skinny woman in a slinky dress oot to a piano. They embody nothing but taste, however, when set against Mr Emil's forthcoming Times Square project. Height will not be its outstanding characteristic. That will be provided with the help of David Copperfield, the magician. The establishment will feature a display out front, an Apple of discord, holding aloft a ball of fire. The trick is this: at irregular intervals, the ball, burning just a tad too brightly, will set alight the entire display, filling Times Square with leaping flames and smoke, whereupon

Nothing can cost too much money to make money in New York

Apollo will melt to the ground in a hot fiery heap — only to reconstruct himself within minutes. Pure unmitigatedly expensive kitsch. As is the new Empire, or the "New" Amsterdam (its Lion King is sold out, seven nights a week), or the New Victory (housing the musical version of Ragtime), or the "new" Brooklyn. Pastoral Company or new Disney's shops. And all of them are manifestations of this extraordinary creed — you can never spend too much money to make money. Broadway has witnessed moments of great culture — its interminable Eugene O'Neill's, its Tennessee Williams, its Death of a Salesman. Walter Winchell was around the corner. Darnoo Runyon was living just up stairs and Cole Porter was not far away. And everywhere was a show — raunchy and frothy and full of gags. Make 'em laugh, make 'em cry, (whatever you do) make 'em pay. What's occurring in Times Square, as old things are made new again, is unapologetic kitsch nostalgia for a kitschy time. It's full of bright lights and risk and vulgar splash and a great deal of pizzazz. It has energy — a distinctly American energy. And a great deal of fun.

Blair's sanctity defended against Roy Hattersley's criticisms

We're no spaniels

JOHN PRESCOTT
ROY HATTERSLEY wrote in the Guardian yesterday that the Government was rolling over to powerful vested interests while ignoring the poor. "Ministers continue to be wonderfully tough towards the weak. But faced with either money or muscle, it rolls over on its back, and kicks its legs in the air like a spaniel," barked Roy. His charge is that the Government has made concessions to the vested interests of the countryside lobby, the CBI over trade union recognition and to Rupert Murdoch over press regulation. I yield to nobody in my admiration for past Labour governments and the good they have done for the people of Britain. But I doubt if they did any more in their first 10 months

than we have done to deliver our commitments. There are two reasons why Roy's argument is flawed. First it is not true that the Government has rolled over to vested interests in the examples he gives. On the countryside, we have not, as the march organisers wanted, intervened to keep fox hunting. We are fulfilling our commitment to a free vote for MPs on the banning of fox hunting. We defended our record on the countryside well before the march took place; on protecting a living, working countryside: adding 30,000 hectares to the green belt; on rural housing, transport, schools and jobs. But that is stating our case, not caving in. In relation to press freedom, the competition Bill will strengthen the powers of all regulators to clamp down on predatory pricing. And in relation to trade

union recognition, our proposals will allow trade unions to be recognised where workers want it — a stronger commitment to democracy at work than has ever been before. Roy expresses surprise that the Government is considering CBI submission, as well as ones from the unions. I strongly support the right of recognition, but I equally think it is right and proper to listen to all sides of the case. The results of those deliberations will be decided in the interests of the country and in line with our manifesto commitments. The second argument against Roy's thesis about the Government might be called the dog that did not bark: the things Roy conveniently left out of his tirade. Roy, don't you remember all the utilities brown against Gordon Brown's £5 million windfall levy to fund the New Deal for the

unemployed? They were no poodles! And there's no mention of the business lobby against us bringing in a national minimum wage for the first time in our history. That's Labour at its best: fighting for jobs, social justice and decency. And I'm proud of that. No mention either of the reduction in class sizes being pushed through, paid for by the abolition of the assisted places scheme — a measure he strongly supports. HE FORGOT that we took on the gun lobby to ban handguns; that we forced water companies to mend their leaks; that we took on the status quo and secured support for devolution in Scotland and Wales, and regional development agencies. All in 10 months. And we have gone further than any previous government to open up responsible

access to the countryside. I think Roy needs no reminders of the wealthy interests involved there. Roy Hattersley is a respected elder statesman of the Labour Party. It is a shame that he underestimates the difficulties and underplays the achievements of this Government's first 10 months in office. As a former Minister it is disappointing that he seems to expect instant solutions, not long term progress. If we are serious about implementing our manifesto, we know that economic stability is essential. Roy and I know from bitter experience that governments which spend freely in the first two years can come unstuck in the years that follow. I have said that this Government will be judged, at the next election, on what we have achieved for the poor and our record on social justice. We intend to



deliver. To make Britain better. To govern the whole country, not any one section within it. Just as we said we would. Surely the 12 fruitless years in opposition, after five years in government, have taught us many lessons about how best to serve our people. Roy has always been a champion of social justice. Long may he continue to voice the case for equality, not least in the House of Lords (since he is not one of the hereditary peers whose vote we intend to abolish). When it comes to implementing our manifesto we will not roll over like a spaniel in front of any vested interest. Rather we will take the more robust attitude towards gaggle of hissing geese. Sorry, m'Lord.

John Prescott is Deputy Prime Minister

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New kitsch
on the block



Restraining Milosevic

Kosovo needs autonomy

HOUSES SET alight and civilians shot dead by Serbian security forces yesterday make a horribly familiar picture: is this the start of the next round of ethnic warfare in former Yugoslavia? If so, it is not for lack of warning. The suggestion that the next flashpoint could come in Kosovo, where the Albanian people have suffered oppression for years, has been made repeatedly since the Dayton agreement brought peace of a sort to Bosnia. The only surprise is how long the patience of the majority population in Kosovo has endured.

The violence in and around the capital of Pristina has blunted the diplomatic thrust of Robin Cook's mission to Sarajevo, Banja Luka and Belgrade on behalf of the European Union. This was intended to strike a cautiously hopeful note, giving encouragement to the new and relatively more moderate leadership of the Bosnian Serbs. Yesterday Mr Cook did give the Republika Srpska the benefit of the doubt, telling their assembly that the extremists were being rolled back and promising international reward if they progressed towards democracy and pluralism. But moving on to Belgrade, Mr Cook was unable to deliver any bouquets to President Slobodan Milosevic. Instead his meeting was absorbed by the Kosovo question and what was called a tough message that Britain "will not stand idly by" — whatever that may mean. The US has also joined in the international pressure with a similarly coded warning from its Bosnia envoy Robert Gelbard that Washington will

use "every appropriate tool" to deal with Serbia if Kosovo ignites.

Will such warnings have much or indeed any effect? The root problem so far has been the assumption that what happens in Bosnia can be separated from what happens in Serbia — of which Kosovo is an unhappy part. Mr Milosevic has been appeased in the belief that he helped in some measure to improve matters in Bosnia. Only last week Mr Gelbard met the Serb leader in Belgrade with a basket of small but significant concessions — including reopening of charter flights to the US and of a Yugoslav Federation consulate there. These have been contemptuously accepted while Mr Milosevic powers up his repressive engine in Kosovo. Perhaps he did deliver something on Bosnia. But he did so after too many months and years during which the international community gave him the benefit of the doubt.

Similar procrastination over Kosovo will be just as damaging and probably more so. The non-provocation policy of the alternative "president" Ibrahim Rugova is now crumbling as militant action by the Kosovo Liberation Front invites more Serbian repression. A Kosovo conflagration will very soon destabilise Macedonia where relations between the government and its Albanian minority are already very edgy. Bulgaria and Greece both have potential stakes in the outcome. It will also place the Albanian government, however reluctant to become involved — and facing its own problems of unrest — under huge internal pressure.

The six-nation Contact Group which will meet in London on Monday to discuss Kosovo must send an unambiguous message to Mr Milosevic and take clear and decisive steps. It should press for the indefinite renewal of mandate for the UN forces

on the Macedonian border with Serbia. Any improvement of relations with Mr Milosevic must be tied unambiguously to progress in negotiations with the majority people of Kosovo, for which the Contact Group should offer its good offices. A real measure of autonomy remains the only solution, but as more Albanians take to arms in anger and despair, it will not be available for much longer.

The facts of life

Oldies are in the ascendant

DO WE need another debate on the Third Age? Wasn't that what the Carnegie Inquiry with its succession of reports on the prospects facing 50 to 75-year-olds examined in depth in the first three years of this decade. It did but the debate never spread beyond the specialists. The organisers of the millennium Debate of the Age launched yesterday have a different target. They too have set up five working parties of experts on health, work, finance, housing and values but the campaign has a more ambitious goal: organising the biggest independent debate in Britain outside an election. They hope to reach 30 million people across all generations. They have devised a wide variety of events with the aim of persuading each generation to think about the future. A 17-year-old school leaver at the start of the new millennium can still expect to be alive in 2070.

The huge demographic shift, which is already underway, has been well documented. We are moving towards the oldest society that has ever existed. Fewer births and longer lives mean the number of people aged 65 and over will increase at 10 times the overall rate of population growth in the

next 40 years. By 2020, more than 40 per cent of the British population will be over 50. Europe will be even older — one out of every two being over 50 by then. Where in 1961 there were four people of working age to support every pensioner, by 2040 there will only be two. Yet we have already accommodated huge changes. When the welfare state was launched 50 years ago, people could only expect three years of retirement. Today, with earlier retirement, many can look forward to 30 years.

Unlike earlier seismic shifts in population — in the wake of plagues, famines and war — the new shift can be anticipated. Age Concern was right to put together the coalition of voluntary groups, professional associations and businesses which launched the debate. On some issues they will be too disparate to reach anything but an ad hoc consensus. But they know that. The aim is to provide the public with facts and promote a genuine democratic debate.

Cathedral visits

Mr Blair's conscience is the key

THE confessional jokes came first. What has Tony Blair got on his mind that he might want to tell all to a Catholic priest? Is the Prime Minister considering a conversion to Rome? If so, what sins might he want to reveal to the man in the secret box? Could he cope with the prospect of eternal damnation — and what about all that guilt and punishment?

No matter that Downing Street's official spokesman has denied all such talk, the recent sightings of Mr Blair alone in Westminster Cathedral, coupled with the Catholicism of his wife and children, has led to speculation that the PM is poised to follow

his family into the Roman fold. If he did, he would not only become the first Catholic premier of the modern era, he would also put a symbolic end to five centuries of post-Reformation tension between English Protestantism and the followers of Rome.

That's why the spiritual leanings of the Prime Minister contain at least the "minor element of legitimate public inquiry" admitted by the official spokesman. In a country with a history of anti-Catholic discrimination like Britain's — typified by the Test and Corporation Act, which barred Papists and Dissenters from public office until its repeal in 1830 — it would indeed be a breakthrough to have a non-Protestant in Number 10. Britain should be ready for a Catholic prime minister — or a Jewish, Hindu or Muslim one, for that matter. Those who argue that the Church of England's established status requires a Protestant head of government — qualified to nominate a new Archbishop of Canterbury, for example — are on shaky ground. A Catholic or Jewish PM would simply take advice on such appointments, as prime ministers traditionally have. Moreover, if the Church of England's status is deemed to be a barrier to diversity at the top of our government then it is that status which should change — not Mr Blair. The Labour leader's religious search is yet another reminder of the persuasive case for disestablishment.

Others have worried that Protestants in Northern Ireland would be rattled by a Downing Street shift to Catholicism. Some speculate that this is the real reason why Mr Blair has ruled out any switch: the peace process is just too delicate. If that is the case, it is a pity. A person's quest for spiritual meaning should be swayed by his conscience alone — even when he is the Prime Minister.

Letters to the Editor

Don't shoot our northern 'duck'

I AM in full agreement with the language experts who view terms of endearment as part of our cultural heritage (Terms of endearment put people off, opinion survey finds, March 4). Whilst calling a woman "love" is undoubtedly both patronising and sexist, "duck" is the northern equivalent of mate — in that it can be and is applied equally to women and men.

We have a northern lad working in our office and he has taught us many of the traditions and values of a Lancashire upbringing, and introduced us to the many cultural diversities one may encounter there. I refer of course to scrumps, battered Mars bars and Dojello, to name but three. He feels much more at home when he strolls into the office and is greeted by many heartfelt cries of "Morning Duck!"

People are moulded by their environment and it is wrong to try and impose some politically correct limitations on how we communicate. The beauty of language is its diversity. Are we supposed to have a uniform dialect? Of course not. By all means let us campaign to eradicate sexism and racism from conversation, but leave our "duck" alone.

Adam Bouskill, London.

IS THERE any truth in the scurrilous rumour circulating that Tony Blair is seriously considering converting to socialism?

James Hamill, Leicester.

IF Nick Howell decides to accept Her Majesty's gracious invitation, he should be wary. At a June garden party our fiery was scolded and two ladies were struck by lightning.

John Dearnley, Tetbury, Glos.

Irvine charge sheet grows

LORD Irvine says misgivings about the expenditure of £550,000 to redecorate his official quarters are "a storm in a teacup". To a QC earning about £500,000 a year from such noble causes as defending London Docklands Development Corporation, that may be so.

But it is truly preposterous that such expenditure should be defended at a time when this Government proposes to withdraw legal aid from accident victims (Irvine climbs down on legal aid, March 5) and to raise the small claims limit in the County Court to £5,000, thereby depriving claimants of the right to recover their lawyers' costs.

Research indicates that increasing the small claims limit has not improved access to justice. This is well illustrated by a respected district judge, Nic Madge, who notes that, since the small claims limit was increased from £1,000 to £3,000 in January 1996, he has only been aware of one claim by tenants for breach of repairing obligations which falls within the current small claims limit of £3,000. "The only conclusion is that, in view of the general lack of availability of legal aid, tenants with claims for disrepair valued at less than

£3,000 have not issued proceedings" (Nic Madge, New Law Journal, February 20). Denying legal representation to poor people under the guise of increasing access to justice is a thoroughly retrograde and dishonest plan. Myles Hickey, Down & Co, London.

ASTORM in a teacup perhaps, but no doubt it's Royal Doulton — Catherine Esbester, Croydon.

THE Palace of Westminster was designed by Pugin, one of our most distinguished architects. Spending money on restoring it for the enjoyment of future generations should be a pleasure. In lauding the achievements of the past we can celebrate the future in good heart, even if it is in the shape of a billion pound plastic bubble, due to last 18 months, as opposed to Pugin's building that has lasted 158 years and counting. Victoria Farrow, Margate, Kent

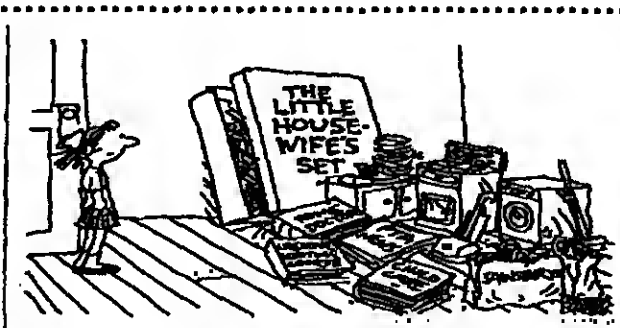
YOUR leader (Derry's Den) William Morris would approve. March 5 is way off the mark. Morris in News From Nowhere wanted to turn the

Houses of Parliament into a dung market. He understood better than us what goes on there. Prof John Whitelegg, Liverpool John Moores University.

THE problem with Mr Blair's "modern agenda" for Britain's post-democracy town halls is that the cost of new wallpaper will be extremely high. David Helliwell, Halifax.

KEEP the same wallpaper for 60 years? Is this a case of arrogant entrenchment or just one more case of out-of-touch judiciary? Rik Kitchell, Hinchin, Herts.

THE noble Lord Irvine of Lairg and his Cabinet colleagues should be commended for their desire to promote a renaissance in interior design and to leave a legacy to be enjoyed by future generations. Appropriately embossed wallpaper, commemorating the early months of New Labour, is clearly a must. The design? For some reason, pigs and troughs spring to mind. John Graham, Enfield, Middlesex.



When the children are at school

POLLY Toynbee asks what housewives do when the children are at school (Women to blame again, March 4). I have four children, including a teenager with autism and a 10-year-old who wets the bed. My husband works away from home during the week. I have no car and cannot afford a cleaner.

Surfing the Internet, I consider myself busy enough with shopping, laundry, cleaning and cooking, not to mention attending school meetings, dealing with educational officials and so on.

Until three months ago I

had three part-time voluntary jobs, which I gave up in order to attend a government-sponsored training course on IT. Fortunately my neighbour had the day off work yesterday and agreed to mind my youngest son so I could go. But school hours account for only some of the time. In the evenings I work very hard indeed. At weekends and during school holidays I act as minder for several school-age children of working mothers, unasked, unpaid and generally unacknowledged. Sarah Green, Exeter.

Oscar loved cars, says mum

GERMAINE Greer writes that she has "yet to meet a young man who is into cars" (Playmate of the week, March 4). May I refer her to my son Oscar Moore's Looking Aids in the Face (Picador) originally published in the Guardian's Weekend magazine as FWA (Person With Aids) columns? He describes "the motorway three-lane diagonal rictus" or how to get the wind up the wind-up who sits in the fast lane like a slug on lettuce". I dare say Germaine, as a "bag bag of many years standing", has FWA on her bookshelves, or she ought to have anyway.

Oscar would have written this letter had he still been alive. He loved cars and loved driving, as he describes on p78 when he was to relinquish his car because of failing eyesight. "Driving a car has come to seem inextricably intertwined with my independence as a citizen, my status as an adult and my potency as a man".

Do not fall into the trap of seeing all gay men as women in disguise, Germaine. Just as there are plenty of heterosexual women (myself included) who adore driving fast cars, so there are gay men (including some of Oscar's friends) who do likewise. Elisabeth Moore, London.

Please include a full postal address. We may edit letters: shorter ones are more likely to appear. The Country Diary can be found on Page 20

Safety net stops more than porn

INTERNET Watch Foundation have been widely commended for their war against digital porn. (Report, March 4). By giving users the choice to screen out distasteful or offensive material, so the argument goes, there will be less need for governments to regulate the Internet. For this to work, service providers, owners of search engines, colleges and workplaces would need to screen material before users

get the opportunity to decide for themselves. The IWF also claims that the proposed system is primarily aimed at parents. As parents, we have a duty to protect children from the nastier aspects of life but we also have a duty not to stick our noses in their sand. How can we make informed judgement about material we may never even know exists? Jason Burton, Kingston Upon Thames, Surrey.

Rate for the job

WOULD not one of the best ways of improving the quality of local councils be the payment of a salary to elected councillors (Blair gives ultimatum to councils, March 4)? Councillors who give their positions seriously either exhaust themselves, or, having retired, they have time but perhaps not the lively minds essential if councils are to be modified. Monica Wilson, London.

Suffering for my art

Bel Littlejohn

BY nature, I'm a nurturer, particularly of lesser writers. Their prose may not be as sinuous (lovely word) as my own, their hearts not so open, but they deserve a pat on the back for their very special efforts in coming to terms with their limitations, bless 'em. I've lost count of the times a fledgling writer has

sent me a manuscript to read, along with a letter declaring a passionate love of my work and an overriding desire to follow in my footsteps. But of all the ingredients that finer critics than myself have sensed in my work — they always praise my ear, and often my nose and my eye too — there is one thing that has marked me out as a writer if not of genius, then (fill in later). "What's your advice to the next Bel Littlejohn?" I was asked for a forthcoming G2 questionnaire. And my simple, one word reply? "Suffer."

I covered my early suffering in the searingly autobiographical, remorselessly honest, Daddy, I Knew You Too. Well, my seminal account of a childhood spent with a father who never managed to release himself from the uncontrollable urge to return home the moment he left work, and who would neuroti-

cally spend his entire weekends with us in our house, always desperate to please, even though he never really fitted in to our play-structures. The opening line of that book, "Daddy, you, Daddy, for never forgetting our birthdays," is now at the heart of all the major books of literary quotation, not to mention countless theses at home and abroad.

My lovely publishers begged me for a follow-up, and their desperation paid off. My second work of autobiography, Mummy, I Was Irritated By Your High-Pitched Laugh... subtitled... And That Common Way You Blew on Your Soap... was an intensely personal, marvellously lyrical, occasionally painful, almost frighteningly truthful "journey into the mother-daughter relationship". In what came to be regarded as perhaps its most hauntingly memorable scene,

I portrayed my one-eyed mother in grinding poverty, toothless and vengeful, her five-stone body shaking its last as she cursed me from her deathbed.

For some, the launch party was marred by the arrival of a large well-to-do woman with a high-pitched laugh bearing a large bouquet of flowers and calling herself Mummy. It may or may not have been my mother, I forget, but only the most pedantic could argue that her literal survival detracts from the poetic truth — both searing and soaring — of the deathbed scene.

I'm not saying I blame them, but by this time other writers had allowed their way on to my own intensely personal territory. After Nick Hornby's Fever Pitch, a book very obviously written by a man, I lent a fresh anger to the confessional genre with High Pitch, my hauntingly candid account of attending

weekly choir-practice just 80 miles from inner-city Glasgow, the daughter of undivorced parents.

And having written so poignantly of my father and mother and of my older siblings (Please Don't Pull My Head Off: Memoirs of a Tortured Sister, 1989), I am now contracted for a further two books, both describing painful journeys to hell and back. The first details, with tremendous dignity, my trials at the hands of my ex-husband (and, Don, if you're reading this, can I have my first edition of The Golden Notebook back and don't try and make out you don't know what I'm talking about because it's MINE and I can PROVE it because its got MY name written in red felt-tip on the inside front cover, right?) and is due out this autumn. Provisionally titled The Three-Glasses-of-Wine-a-Day Man, it is the unflinching portrait of life with an alcoholic.

Already, I've had terrific feedback from my publishers over the pivotal chapter in which I describe in horrifying detail the way my ex once split a glass of red wine over a white Astminster — and then proceeded to claim that I had nudged him with my left elbow whilst working out to Rumours by Fleetwood Mac. Talk about self-deception!

Finally, I'll be completing a very brave, very troubling, deeply personal autobiographical novella about my fraught relationship with leading Labour Foreign Minister Robin Cook (name changed). It's already been optioned in synopsis by Dennis Hopper, who says he wants to play someone truly sinister for a change.

So that's my confessional writing for this year. Courageous? You said it, not me. And it's also truthful, joyous, despairing, but above all, intensely personal.

Alpha plus for the power of evangelical Christianity

MADEIRA Bunting is obviously perplexed by the intriguing prospect of "mass urban conversion" on society (Happy, clappy... and zappy, G2, March 4). The Wesleyan revival of the 18th century saw great and profound changes in our own urban areas following the Industrial Revolution. The evangelical conversion promoted by Wesley brought respect to some of the most abused and exploited victims of early capitalism. Wesley's Methodist weekly class system provided a resource based on mutual respect and self-help. It was no accident that several of the Tolpuddle Martyrs and those who led the campaign for their release were Methodist preachers.

But the impact of such revivals is hardly surprising. The first revival documented in the Acts of the Apostles saw people of different languages and cultures worshipping together and the establishment of a simple socialist society. Lives can be transformed as individuals recognise Jesus as their Saviour. Britain after revival will be a happier, more constructive society. David Hallam MEP, Bridgnorth, Shropshire.



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Fred Friendly

A man who believed in the TV news

MAKING a current affairs television programme in New York in 1953 was not a smooth operation. The tension of mixing film and voice inputs by telephone wire all over Manhattan added to the relief as production staff crowded round Edward R. Murrow as "bathed in sweat and smoke", "finished reading his tailpiece to camera."

But the technical problems were only part of the reason for their sense of triumph. In the show he had just anchored, *The Case Against Mito Radulovich*, AOS89389, part of his *See It Now* series, Murrow and his producer Fred Friendly, who has died aged 83, had struck the first blow in the campaign against Senator Joseph McCarthy.

Radulovich was a United States Air Force reserve officer who had been asked to resign because, in the Cold War climate whipped up by McCarthy and others, his sister and father were accused of reading "subversive" newspapers. Brandishing fake lists of communists in high places, McCarthy had terrified America for three years.

People were wondering

whether anyone would dare take him on. In the end he was brought down as much by his own bullying performance as by the support of the US Army as by anything else. But Friendly and Murrow were the first to stand, fight and demonstrate the power of television to right wrong. In the show he had just anchored, *The Case Against Mito Radulovich*, AOS89389, part of his *See It Now* series, Murrow and his producer Fred Friendly, who has died aged 83, had struck the first blow in the campaign against Senator Joseph McCarthy.

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Born in New York City, Friendly's name was originally Ferdinand Friendly Wachenheimer, but he took his mother's surname, Friendly, and became Fred Friendly when he went into radio. He changed his name legally in 1938.

He started work at a radio station in Providence, Rhode Island, where he went to college, and made a series of biographical programmes about inventors like Marconi and Edison. He joined the US Army in 1941, and was sent to South-East Asia, or the "CBI theatre", as Americans called it, for "China-Burma-India", where he worked for an army newspaper, the *CBI Roundup*.

After the war, he worked for a while for NBC radio, then moved to CBS, where he teamed up with Murrow, first on an oral history project, *I Can Hear It Now*, then on *Hear It Now*, a radio current affairs show. In 1951, he and Murrow took their formula to the newly-arrived medium, television. Their first show was the first ever look-up between east and west coasts, with a split screen showing the Brooklyn and Golden Gate bridges.

After the *Radulovich* show, it was inevitable that



In February 1966 while NBC covered Senator Fulbright's hearings on the Vietnam war, CBS was ordered to show a fifth re-run of *I Love Lucy*

Friendly and Murrow would eventually follow through with a frontal attack on Senator McCarthy, which they did on March 9, 1954. It is an indication of the fear McCarthy inspired, and also of the pressures Friendly and Murrow had resisted inside CBS to lay off the dangerous subject, that when Friendly tried to start his stopwatch in the control room at the beginning of the show, his hand was shaking so much that he missed the button altogether.

Friendly was summoned by CBS president Frank Stanton, who was upset by a poll suggesting that one-third of the

viewers had thought Murrow was pro-communist. In 1955, the sponsor, the Aluminum Company of America, stopped sponsoring *See It Now*, preferring something less contentious. The programme ended up doing courageous reporting, for example of a southern racist demagogue, but in the Sunday afternoon "ghetto" to which politically controversial programming was banished.

In 1960, when John F. Kennedy was elected president, Murrow went to be the director of the US Information Agency, but just before he left he and Friendly produced one

of their classic reports, *Hanoi of Shame*, an expose of conditions for migrant workers so harrowing that many American viewers, brought up on the glamourisation of life in prime-time TV, simply refused to believe it was true.

William Paley, the chairman of CBS, and Frank Stanton had an ambivalent attitude to Friendly. They knew his progress enhanced the company's reputation, but they hated the trouble he caused and the money they cost, both in production costs and in lost advertising. In 1964, on the strength of the programme, *CBS Reports*, which had taken over from *See It Now*, Friendly became president of CBS News.

Almost at the same time, however, James Aubrey, president of CBS-TV, was encouraged to chip away at Friendly's position, constantly emphasising the cost of news and current affairs.

Aubrey complained to Friendly of the unfairness of this division of labour. "They say to me," he said, "Take your soiled little hands, get the ratings, and make as much money as you can. They say to you, 'Take your lily-white hands, go the high road, and bring us prestige'."

Before long, Friendly was waist-deep in conflicts over the Vietnam war. He backed up Morley Safer, the Canadian correspondent who showed a marine burning straw huts with his Zippo lighter. But Frank Stanton was close to President John F. Kennedy, and Friendly was under increasing pressure. It came to a head over a programme reporting the disillusion of Senator J. William Fulbright, chairman of the Senate foreign relations committee, over the Tonkin Gulf resolution, which was based on faked reports of North Vietnamese activity and used to justify American involvement in the war.

In February 1966, while NBC covered Fulbright's hearings on the war, CBS was ordered to show a fifth re-run of *I Love Lucy* and an eighth re-run of an even more vacuous comedy, *The Real McCoys*. Friendly resigned. He was offered another well-paid job, but turned it down.

For the next 13 years, Friendly was the Edward R. Murrow professor of journalism at the Columbia University School of Journalism. He was also the Ford Foundation's influential adviser on communications. He created

the highly successful televised Columbia seminars on media and society, using what he called the "Socratic dialogue method." "We seek to make the agony of decision-making so intense," Friendly characteristically said, "that one can only escape by thinking."

He was married twice. His first wife divorced him in 1958, and he was survived by his second wife, the former Ruth Mark, and three children from his first marriage.

He was, said his former colleague Dan Rather, "a fierce and mighty warrior for the best ethics and principles of journalism. He never gave up. And near the end of his life, he was still fighting for what he saw as the forces of commercialism that were destroying his beloved journalism. Television news, he said, was in danger of being a grotesque carnival, in which show-biz wizardry and values obscure the line between entertainment and news."

Godfrey Hodgson

Fred W. Friendly (Ferdinand Friendly Wachenheimer), television executive, born October 30, 1916; died March 3, 1998.

Umberto Mastroianni

Sculptor of remembrance

THE sculptor Umberto Mastroianni, who has died aged 87, was renowned for a remarkable series of war memorials across Italy, but he also practised his metaphorical, highly abstracted style in much smaller-scale sculptures, as well as paintings, prints and even jewellery. He had been permanently affected by his experience of the second world war, in which he fought as a partisan.

Mastroianni spent much of his career in northern Italy, but he was born in Fontana Liri, south-west Rome. His nephew was the actor Marcello, while his sculptor uncle Domenico trained the teenage Umberto in his Rome studio.

Mastroianni's earliest independent work, made after he moved to Turin in 1926, gave little indication of his future innovation. Wax busts, reminiscent of Medardo Rosso's sculpture at the turn of the century, vie with terracotta nudes, reclining like ancient river gods, and idealised bronzes with contrapposto poses. This classicism was entirely consistent with the cultural climate of Fascist Italy.

Even during the 1930s, Mastroianni's sculptures simplify the human form: a 1937 female bust reduces the outlines of the woman's head and exaggerated long neck to a pattern of graceful curves. Then in the early 1940s, Mastroianni began to create his compositions out of



Abstract dynamism... the sculptor Umberto Mastroianni (left) and work displayed in his studio

entirely abstract curved and jagged shapes — dynamic, asymmetrical and with no central focus.

Mastroianni did not mistake artistic for political radicalism. His first sight of war was as a conscript, but he later joined the Italian resistance and returned to peace-time work. This classicism was entirely consistent with the cultural climate of Fascist Italy.

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PHOTOGRAPH BY MAURIZIO BRAMBATTI

Even in sculptures influenced by cubism and futurism, Mastroianni included curved, organic shapes, which allowed the conservative French critic Waldemar George to praise him in 1966 for his "anthropomorphic" and "humanism" and to claim that Mastroianni was a defender of "the Mediterranean spirit" and "the antique world". This rhetoric may have had plausibility in relation to the *Maternity* of 1955, with its traditional subject and lucid, classical structure, but most of Mastroianni's work from this period exemplifies the expressive abstraction of contemporary art. In *Informel*, at times, Mastroianni experimented with the rough

texture of sack material, and his slashed reliefs, made from painted metal or card, invite comparison with Lucio Fontana's canvases.

Mastroianni explored different media, including engravings and tapestries, while often deliberately blurring the distinction between painting and sculpture. Even works in precious metals were frequently covered with various pigments: the title of the painted silver relief *Sedimentation* (1965) alludes not only to its fossil-like imagery, but also to its multi-layered physical structure and metaphorical complexity. More recently, coloured glass plaques, such as *Yugen* (1990), brilliantly exploited qualities

of both transparency and opacity.

But it is for his more conventional free-standing statues that Mastroianni will remain celebrated. His war monuments are characterised by energetic, centrifugal compositions, in which the voids between the blocks of bronze or steel are as visually important as the pieces of metal themselves. Sometimes the sculptures are jagged and roughly textured, although the *Monument to the Fallen of all the Wars of the City of Prosinone* (1970-76) resembles nothing so much as a piece of useless artillery, made up of long steel pipes, arranged around smaller wheel-like forms. Mastroianni also com-

memorated the destruction of Hiroshima and Nagasaki, and in 1957 he presented 26 works to the Galleria Nazionale d'Arte Moderna in Rome. Despite living for most of his life in Turin, Mastroianni remained attached to that area where he was brought up. He finally settled and died in Marino, near Rome. He is survived by his wife Ida.

Christopher Masters

Umberto Mastroianni, sculptor, born September 21, 1910; died February 25, 1998.

James McDonough

DIGNIFIED, quiet, courteous, unflappable and good-humoured, James McDonough, who has died aged 85, was the very model of a British Council officer of the 1950s and 1960s. He was closely involved in the post-war task of restoring cultural relations between the British and the Germans. His interest in people, their backgrounds and history contributed to getting young Austrians and Germans to think positively about Britain.

James was born to an old Roman Catholic family, attended the Royal Grammar School, Worcester and read history at St Edmund Hall, Oxford. He met his future wife, Mary-Elaine, while teaching at Ampleforth College. Wartime service in the Duke of Wellington's Tank Regiment took him to North Africa and India and he rose to the rank of major.

In 1946 he was recruited by the British Council as a lecturer at the universities of Graz and Innsbruck, teaching what would now be called British Studies. It was the start of his career in German-speaking countries. He stayed on in Austria until 1954, working as education officer in Vienna.

After four years with the British Council in Malta where he set up a centre in Gozo, in 1958 he was posted to the British Embassy in Bonn. There he was involved in transferring cultural work to the new British Council office. He was characterised by what one observer described as a "sweetness of temperament". This contributed to the work of depoliticising relationships between British and Germans. He remained in Germany until 1973 — apart from four years at the British Council headquarters.

He stayed with the council after formal retirement and was decorated with an OBE in 1965 and a CBE in 1970.

In retirement he worked for a time for the Centre for British Teachers, helping to expand its work in Morocco and Malaysia. His last years were spent in Somerset, sustained by a strong Roman Catholic faith and an interest in his growing family of five children and 12 grandchildren.

Peter Clark

James McDonough, British Council officer, born July 26, 1912; died February 17, 1998.

Birthdays

Dr Madge Adam, astronomer, 66; Kiki Dee, singer, 51; Prof Sir Charles Frank, physicist, 87; Richard Giordano, chairman, British Gas, 64; David Gilmore, rock guitarist and singer, 51; Prof David Hendry, economist, 51; Prof David (Bill) Hoffenberg, endocrinologist, medical campaigner, 75; Malcolm Moss, Conservative MP, 55; John Noakes, actor

and broadcaster, 64; Valentina Tereshkova, astronaut, first woman in space, 61; Richard Noble, record-breaker, 52; Peter Roebuck, cricketer, 42; Prof Marilyn Strathern, anthropologist, 57; Dame Kiri Te Kanawa, operatic soprano, 55; D. (David Haddon) Whitaker, publisher of the *almanac*, 87; Ann Winterton, Conservative MP, 57.

Michael Myers

Making miracles in the movies

FOR those who are familiar with the films of John Carpenter, from *Halloween* onwards, the serial killer who figures in them goes by the name of Michael Myers. For anyone who knew the original real-life Michael Myers, who has died aged 89, this was clearly an affectionate but highly ironic gesture of appreciation from Carpenter to the man whose success in Britain with *Assault on Precinct 13* directly led to the making of *Halloween* and the subsequent movies.

For the real Michael Myers was a man whose integrity in business — for him his handshake was his bond — was matched by the openness, friendliness and support which he extended to everyone. As many of the hundreds of letters received by Pamela, his widow, say: "He gave me time when I was nobody."

Michael was born, an only child, in Hove and went on to attend Brighton College. He was a good athlete, breaking his club's quarter-mile record, as well as being a good cricketer. His grandfather and father ran a chain of cinemas and he was to become the third generation of Myers to be engaged in the film business — to be followed by his son Martin — albeit in distribution rather than exhibition.

He began his career with RKO Films as a logging clerk in the mid-1940s and 1949 joined International Pic-

tures. In 1951 he became sales manager for the newly established Miracle Films, which he eventually took over after the retirement of the last partner. During the 1950s, Miracle was setting the pace, alongside Academy, in the distribution of foreign-language films but, whereas Academy was respectful in its role, Miracle saw it as fun. They launched *Brigitte Bardot in La Lumière d'en Face* (Light Across the Street) in which she showed a little bit of one breast. It was released just before her leap to stardom in *Le Dieu Créa La Femme* (God Created Woman). In the late 1950s they gained further notoriety with *Quiet Days in Clichy*, from the Henry Miller novel, and the Swedish film *Yellow*, the first film to be shown in Britain with full-frontal female pubic hair — all launched with the Miracle byline, "If it's a good film it's a Miracle."



The man with the golden handshake... Michael Myers

the time of his death, he was semi-retired but he still acted as consultant to First Independent and ran Miracle Communications which he continued to own.

Michael was of the generation that started at the bottom and worked up the ladder. Coming from a cinema family, film was in his blood and he survived all the changes that beset the industry over the decades. A mod-

est man, always true to his word, he was an example of everything that was good about the British film industry during and after the war. Together with his wife Pamela, he was also that friendly face at festivals and receptions. He is survived by Pamela, his son Martin, his daughter Linda and five grandchildren.

Sheila Whitaker

Michael Myers, film distributor, born October 10, 1928; died February 22, 1998.

John Carpenter writes: No other distributor had as much to do with my early work as Michael Myers and Miracle Pictures. He was instrumental in my career as a director, taking *Assault on Precinct 13*, a little low-budget action remake of *Rio Bravo*, and making British critics take it seriously. And he got audiences into theatres.

Then he took on *Halloween*. I'm not sure exactly how he reacted to my naming the serial-killing masked shape after him, but when I last saw him at the British Film Institute in 1994, his warm, gracious smile told me that at least he didn't hold a grudge.

No — I don't think Michael could ever hold a grudge. He was an incredible man. One seldom uses words like integrity and honesty to describe distributors. Nor kindness; for Michael was, of all things, the dearest man of heart. If not for Michael Myers, I would probably be the manager of the Motel at Pico and Sepulveda Boulevards.

And, if not for Michael Myers, I would not have known the truth: that there are men of great integrity and unaffected warmth in the movie business. For my money, Michael Myers is at the top of the list.

Michael Myers, film distributor, born October 10, 1928; died February 22, 1998.

A Country Diary

NORTHUMBERLAND: Brinkburn Priory is the venue for a festival of early music held in midsummer. The building is also a roost for a colony of 200 Daubenton bats and the festival coincides with their breeding period. There has been concern that music and activity at a critical time could interfere with bat foraging. A survey sponsored by the Brinkburn Music Festival, English Heritage and English Nature over an eight-week period last summer indicated that the festival had no effect on the number of bats emerging from the priory but it did

have an effect on the timing of that emergence. "This year we have agreed to programme the festival so that we can turn the lights off earlier to minimise stress for the bats," said Jane Blackburn, administrator of the Brinkburn Music Festival.

There are five species of bats breeding at the priory — Daubentons, Natterers, Pipistrelles, Whiskered and Long-eared — with an individual Natterer recorded in 1997. So Brinkburn is a premier bat roost in the north-east. In June last year, the Daubentons changed their roost and a

substantial amount of droppings fell onto an inaccessible ledge and on to the organ. "Pipistrelle droppings are like those of a mouse," the custodian told me. "Daubentons are more coarse." Sometimes she picks up babies which have fallen and puts them in an English Heritage page bag to show me. The tiny aquatic under-brown creature was unhurt and crawled to the tips of my fingers. We put it close to the roost for the mother to find as they rarely have more than one baby.

VERONICA HEATH

CORRECTIONS AND CLARIFICATIONS

AN ARTICLE in *The Week*, Page 4, February 28, headed, "Squaring up to change at the Apple's core," contained a passage which, after editing, read: "Purchase of the real estate with bat foraging. The whole neighbourhood was owned by half-dozen old Jewish families who were understandably impressed by the kind of money Disney offered." We apologise to readers who found a completely unintended anti-Semitism in this.

HERE IS the correct version of a correction which appeared incorrectly yesterday: In an article by Tim de Lisle on Page 6, Media, March 2, headed, "Something had to go," an editing error led to a mistaken reference to the former editor of the *Times*, Charlie Wilson. A paragraph beginning, "I said that if we had to have it [a competi-

tion], it should go on the listings page, where there was less credibility at stake than on the arts page proper," Wilson seemed to accept this. That should have said "Mike Hoy (managing editor) seemed to accept this."

WE CONFUSED readers on March 4 by describing Lord Bingham as Master of the Rolls on Page 3 and Lord Chief Justice on Page 5. The latter is correct. Lord Bingham has been Lord Chief Justice since 1996. The Master of the Rolls is Lord Woolf.

It is the policy of the *Guardian* to correct errors as soon as possible. Readers may contact the office of the Readers' Editor, Ian Hayes, by telephoning 0171 239 5800 between 11am and 5pm, Monday to Friday. Fax: 0171 239 5897. E-mail: reader@guardian.co.uk

Death Notices

HAD, Barbara McKay, née Grant, on 2nd March 1998, died peacefully at home, aged 89. She was the widow of the late Mr. Grant. She was a member of the Methodist Church and a devoted mother and grandmother. She is survived by her son, Mr. Grant, and her daughter, Mrs. Grant. She was cremated at Golders Green Crematorium on 4th March 1998. Flowers by request only. Donations to Action Aid 0171 261 4011.

LAST, Mary, widow of David, mother of Ben, Tom & Charles, mother-in-law of Ben, James and Karen. She died peacefully at home on 2nd March 1998, aged 87. She was a member of the Methodist Church and a devoted mother and grandmother. She is survived by her son, Mr. Grant, and her daughter, Mrs. Grant. She was cremated at Golders Green Crematorium on 4th March 1998. Flowers by request only. Donations to Action Aid 0171 261 4011.

MORRIS, On the 3rd March 1998 peacefully having mother of David, aged 81 years, died at home. She was a member of the Methodist Church and a devoted mother and grandmother. She is survived by her son, Mr. Grant, and her daughter, Mrs. Grant. She was cremated at Golders Green Crematorium on 4th March 1998. Flowers by request only. Donations to Action Aid 0171 261 4011.

In Memoriam

CASELL, Simon, in memory of my beloved son, died March 1998. Remembered this day and all days.

0171 73 2627. Lower announcement telephone 0171 73 4128 between 9am and 3pm Mon-Fri.

JP 110150

Analysts blame Asian crisis as aftershock sets markets spinning around the world

Hi-tech crash after Intel warning

Mark Tran in New York and Simon Beavis in London

HI-TECH shares went into freefall around the world yesterday after Intel, the world's largest computer chip maker, issued its second profit warning. The company said first-quarter earnings would be below even the modest projections it made in January.

Intel's own shares fell 13 per cent after its warning of weaker demand in the market for personal computers. The aftershock of Intel's bombshell quickly took Wall Street and other exchanges down. By mid-afternoon the company's shares had fallen \$10.25 (28.23) to \$76.188, with more than 85 million shares having changed hands on the Nasdaq market.

Intel, whose chips run more than 85 per cent of the world's personal computers, had risen by 19 per cent this year, helping to push the markets to record levels.

The setback hit other technology companies, including Microsoft and Dell, as well as hi-tech stocks across Europe. In Paris, chip maker SGS-Thomson Microelectronics fell more than 5 per cent, while Cap Gemini, which had the misfortune to announce a share issue just before Intel's news, fell by 6 per cent.

German technology company Siemens AG was down about 3 per cent, despite assurances that it was expecting a 30 per cent growth in PC sales this year.

Intel, which reports first-quarter results in April, said that problems "became apparent literally in the last few days" and said it did not understand them completely. Analysts cited a laundry list of possible reasons, including the Asian financial crisis, the post-Christmas slowdown, weak demand for

News in brief

Rolls-Royce rues dash-for-gas ban

THE Government's moratorium on the "dash-for-gas" power generating companies could force Rolls-Royce to declare redundancies at one of its subsidiaries, its chairman, Sir Ralph Robins said yesterday.

Sir Ralph's warning came as he unveiled record pre-tax profits of £276 million last year, fuelled by the booming market in civilian aerospace and offsetting a decline in industrial power earnings.

The unspecified redundancies could come at Reyrolle, the Rolls-Royce unit making electrical switchgear for turbines. Two major switchgear contracts, according to Sir Ralph, have already been put on hold because of the moratorium—designed to protect coal while the Government conducts its energy review. "You can't just find business around the world to replace that," he said, disclosing that he had warned Margaret Beckett, Trade and Industry Secretary, about the effect of the moratorium.

Pre-tax earnings in the industrial power group fell to £36 million, largely because of restructuring, but this was more than offset by a rise in profits from aerospace from £185 million to £241 million.

Sir Ralph, hailing 1997 as "a landmark year", said Rolls-Royce engines had won 84 per cent of all orders placed by civil airlines compared with just 20 per cent in 1986. — David Gou

£1m casino hit for Ladbroke

BETTING and hotels group Ladbroke has seen more than £1 million of its casino profits disappear because of the economic crisis in the Far East. Ladbroke owns prestige London casino Maxim's, whose super-rich clientele is usually dominated by wealthy gamblers from the Far East, especially Thailand.

But Thai businessmen have had to tighten their belts and Ladbroke said yesterday the £1.3 million downturn in its casino profits to £4 million was almost solely due to Thai high rollers staying away.

Ladbroke however, is not downhearted. Yesterday it unveiled a 39 per cent increase in profits to £226 million driven by a surge in betting profits, especially from football betting and it-48s numbers game. — Julia Finch

Royal axes 300 more jobs

THE Royal & Sun Alliance insurance group is axing 300 jobs, most of them overseas, on top of the 5,000 job losses it announced more than a year ago.

The company, formed from the merger of Royal and Sun Alliance, said annual savings from the deal were likely to reach £235 million by the end of the year, up from the £175 million originally forecast, but the one-off costs of achieving the savings was up from £201 million to £265 million.

Announcing a rise in profit from £706 million to £809 million for 1997, Royal & Sun said damage caused by the Montserrat volcano prompted an increase in provisioning of £14 million, taking the total to £25 million. With the cost of recent acquisitions in Spain and Ireland also hitting the results, the international division's profits also fell from £87 million to £11 million. — Tony May

BTR issues trading warning

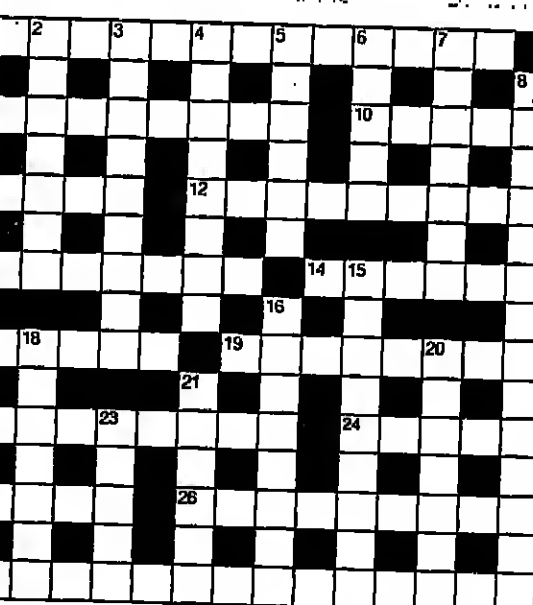
BTR, the industrial conglomerate currently slimming itself into a focused engineering group, warned yesterday that the strong pound and the financial crisis in south-east Asia would continue to hurt trading this year.

Announcing a fall in full year pre-tax profits from £1,258 billion to £1,065 billion, in line with City forecasts, chief executive Ian Strachan said BTR's performance had been "severely impacted" by the combination of events.

Mr Strachan—who earlier this week announced the £2.2 billion sale of BTR's packaging business—said the group was talking to several potential buyers for its building products operation. BTR shares fell 44p to 192 1/4p. — Ian King

Guardian Crossword No 21,215

Set by Bunthorne



- Across**
- 1 What one has had in return (4-10)
 - 9 Don Giovanni's catalogue might study lines in Pope (5)
 - 10 Alec, historian and yachtsman going out West (5)
 - 11 An absence of wool (6)
 - 12 Yeoman's requirement; wild oats and strong beer (5,4)
 - 13 Master journalist penning a version of The Go-Between (8)
 - 14 Getting behind with the salt (6)
 - 17 I'm negligent! Don't hit me again! (6)
 - 19 This is awful, an erupting epidemic coming out West (6,3)
 - 22 Hide maker's brown ale? (3-6)
 - 24 Together with a cat admitting name (6)
 - 25 Best or worst picnic? (5)
 - 26 Prohibited withdrawal of waste particle (9)
 - 27 Such vanity might place me first, no? (4-10)
- Down**
- 1 IOME, as it were, disturbed by art, life and nothing-ism (4-10)
 - 2 Region where the Euro-strategy died (7)
 - 3 The day Kipling's cobra got the answer around the tongue (9)
 - 4 Lots of interest here, where Corunna's hero joined the Spanish uprising (8)
- Across**
- 5 Hebrew summer demanding silence of a king (6)
 - 6 Smallest state encountered outside the desert (5)
 - 7 Where the rest came in Butler's novel anagram (7)
 - 8 Cheating cut with fennel silage not a form of excess (4-10)
 - 15 Puffin curling toes around a young salmon (3,6)
 - 16 Italian stimulant engenders insight thus about Roman matters (8)
 - 18 Aquatic mammal having issue from head to foot (7)
 - 20 Gilbertian character without a two-bob piece (7)
 - 21 What the hippo sang on rising got him the bullet (6)
 - 23 Potter's prepositional shot (2-3)

- CROSSWORD SOLUTION 21,214**
- 1 IOME, as it were, disturbed by art, life and nothing-ism (4-10)
2 Region where the Euro-strategy died (7)
3 The day Kipling's cobra got the answer around the tongue (9)
4 Lots of interest here, where Corunna's hero joined the Spanish uprising (8)
- Solution tomorrow**
- Stuck? Then call our solutions line on 0800 338 238. Calls cost 50p per minute at all times. Service supplied by ATG



Putting arms industry know-how into consumer goods produces Pete Sampras' Kevlar tennis racket and cockpit head-up displays for Ocean's F22 video game

Britain tries to harness military R&D

Japan made LCDs pay. Now it's our turn. David Gow and David Fairhall report

MOBILE phones, microwave ovens, non-stick frying pans, ultra-thin speakers that hang like paint from the living-room wall, video recorders and personal stereos are all familiar consumer goods and derided in song by Dire Straits.

But that's not all they have in common. These and other key components of modern culture like the carbon-fibre reinforced tennis racket used by Pete Sampras are essentially derived from research and development work in military laboratories. Microwave ovens, for instance, are based on ovens developed at the Royal Signals and Radar Establishment at Malvern.

The same labs invented the liquid-crystal displays in watches and Tamagotchi toys. It was Japanese firms rather than their British rivals that made billions of pounds in profits from developing the LCD for commercial use.

Such a loss underlines Britain's relatively poor record in gaining commercial benefit from taxpayers' money invested in military research

and lies behind yesterday's decision by George Robertson, the Defence Secretary, to propose setting up a defence diversification agency.

His aim, laid out in a green paper, is clear. "Spreading the technological processes and skills developed for defence into new markets can strengthen the industrial base of this country and contribute to improving Britain's economic performance," he said yesterday.

One concrete idea is to create science parks around defence labs to provide "a nucleus of young, dynamic technology-based companies around which growth can be stimulated."

Mr Robertson wants to promote spin-off from technology such as the night-vision camera developed for the armed forces that is now being applied commercially by an optoelectronics firm in collaboration with a car manufacturer. It is already used by firefighters and others in emergencies.

Defence diversification is nothing new. Nearly 20 years ago the UN proposed civil applications for large areas of military R&D. Even research into chemical and biological warfare could be applied to cancer research, producing high-yield varieties of staple food crops, and pest control.

Earlier this decade, with the threat to jobs posed by the post-cold war peace dividend, three trade unions — IPMS,

Spin-off doctors' message

WITH an annual budget of more than £250 billion (£150 billion), it is hardly surprising that America's Defence Department plays a vital role in pushing back the frontiers of technology.

It has for a number of years had a series of programmes to encourage civilian applications, although Republicans of the President Reagan era disliked them on the grounds that they smacked of an industrial policy.

One such strategy, called Merittech, was created in the 1980s to transfer military shipbuilding technology to the commercial sector, when the US built fewer warships.

The Technology Reinvestment Program was started in response to the

Japan arrests more civil servants

THE corruption scandal that has shaken Japan's Finance Ministry widened yesterday with the arrests of two high-flying bureaucrats accused of taking bribes from brokers and banks.

Prosecutors said Nomura Securities, Nikko Securities and Sumitomo Bank treated the officials to rounds of golf and meals at expensive restaurants in exchange for approval for new financial products.

Takashi Sakakibara, aged 43, deputy section chief at the Securities Bureau, is said to have been entertained 38 times, at a cost of 2.1 million yen (£9,700), while Toshio Miyano, aged 51, an inspector at the securities watchdog body, was reportedly wine and dined to the tune of 2.7 million yen.

They are the highest ranking officials to be detained in an investigation that, since the start of the year, has seen two arrests, one suicide and the resignation of a finance minister.

The latest finance minister, Hikaru Matsunaga, who has started an investigation into the cosy relations between bureaucrats and the financial institutions they supervise, said the latest revelations were likely to add to the public mistrust of the ministry and the securities industry.

"Basically, the problem is one of individuals lacking the resolute ethical standards required of a public servant," he said.

The deputy finance minister, Koji Tanami, pointed to the fundamental problem of "prior co-ordination," the common practice of bureaucrats working closely with industry representatives to ensure smooth policy administration.

"We have to review not just the way we carry out inspections, but also the way we do our day-to-day duties. Unless we review things in a much



Takashi Sakakibara (left) and Toshio Miyano are arrested

broader way, there will be no solution," said Mr Tanami.

The arrests are a distraction for the government as it tries to draw up measures to revive the economy and restore confidence in the financial sector ahead of Big Bang deregulation measures to be introduced in April. Yesterday, the nation's top banks announced that they would

Glaxo cuts price of anti-Aids drug

LISA Buckingham City Editor

GLAXO Wellcome is slashing the price of its Aids treatment, AZT, for pregnant women in developing countries.

The company is reducing the cost by up to three-quarters following new trials which show that a small dose can inhibit transmission of the HIV virus by mothers to their newborn babies.

It is the first time one of the big pharmaceutical groups has reduced the price of an Aids drug in an effort to help those poor countries most affected by the disease. Health officials reckon about 600,000 babies died last year after contracting the HIV virus from their mothers. The latest research indicates a small dose of AZT given to HIV-positive mothers for a few weeks

before birth can inhibit transmission of the virus.

Glaxo's initiative comes just a month after SmithKline Beecham said it would invest up to \$1 billion (£600 million) in drugs to end elephantiasis in the developing world, where about 120 million people are affected.

Glaxo said it was also involved in wider trials to discover whether similar short-course treatments for HIV could be developed for the wider population without running the risk of building widespread drug resistance.

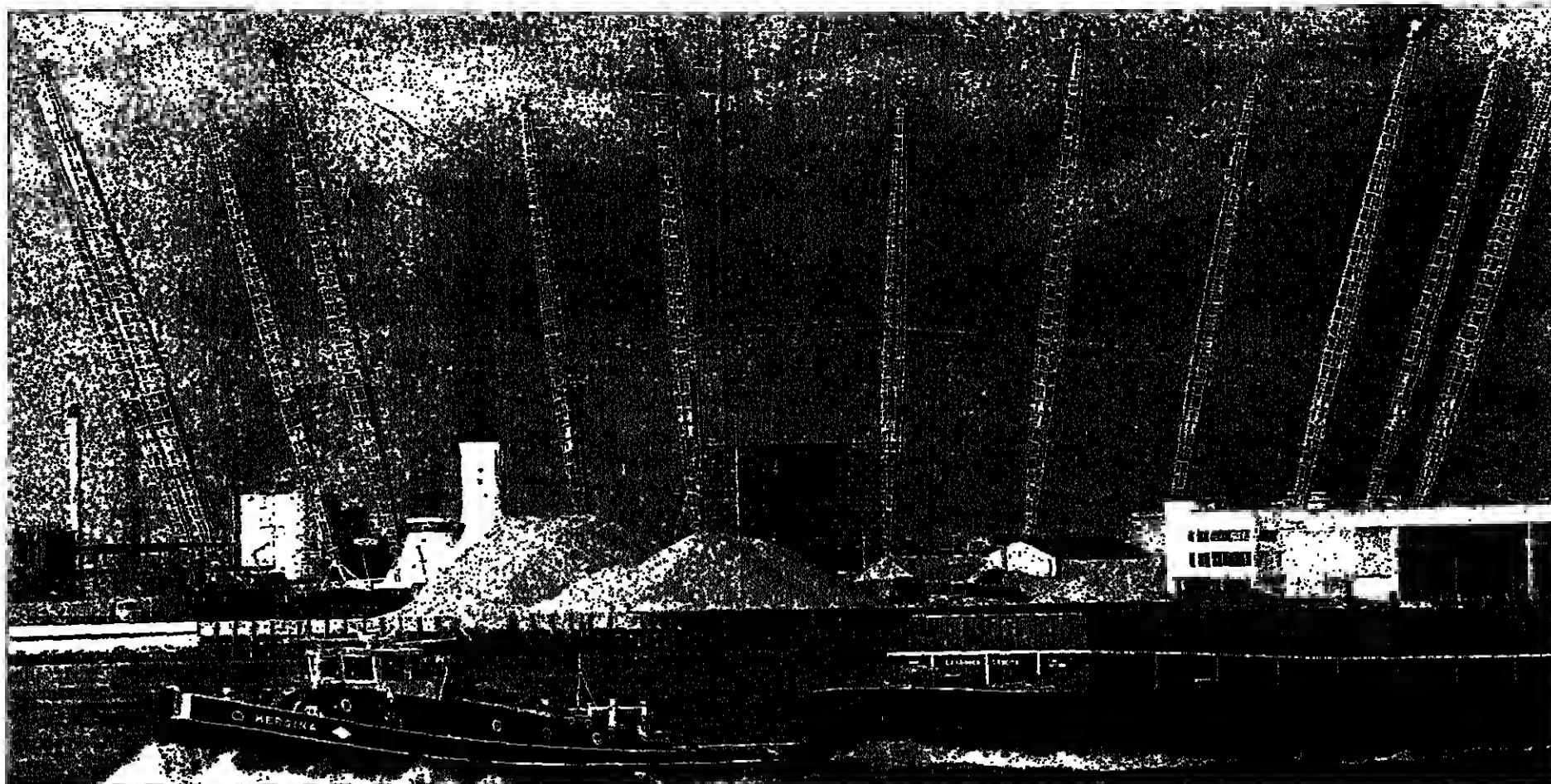
Drugs groups have been accused of making gestures to poorer countries only when their costly drugs come out of patent and their earnings value declines dramatically. SmithKline's elephantiasis drug is now out of patent, but AZT still has years to run. A year's treatment in the west costs around \$10,000.

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Friday March 6 1998

Tomorrow: The age of the smartcard

FinanceGuardian



Forty thousand electricians working on construction sites across the country, including prestige projects like the Millennium Dome (above) and Jubilee Line extension, have won a

minimum 12 per cent basic pay rise by next January in the wake of a guerrilla campaign of unofficial strikes last autumn, writes Seamus Milne.

Amalgamated Engineering and Electrical Union members voted by 7,052 to 2,890 in a ballot to accept a new semi-skilled grade. The new deal with the Electrical Contractors' Association has dropped

negotiated package which would have put some electricians' work out to a new semi-skilled grade. The new deal with the Electrical Contractors' Association has dropped

the de-skilling proposal. Increases basic rates by 7 per cent this month and by nearly 5 per cent next January. The deal also allows extra premium rates to be negotiated at site level

for the first time. Paul Corby, AEEU national officer, last night described the agreement as a breakthrough in a tight skilled labour market.

PHOTOGRAPH: GERRY PENNY

Notebook

Old Lady keeps her nerve steady



Edited by Alex Brummer

THE first session of the Bank of England's monetary policy committee since Eddie George's reappointment as Governor has ended with a whimper. Despite all the fears that the MPC would use the evidence of rising average earnings and a tighter labour market to head off future inflation at the pass, it has held rates steady.

This seems entirely sensible ahead of the Budget. Although the MPC will not have had the benefit of knowing the contents of Chancellor Gordon Brown's dispatch case, recent public statements from Mr Brown and the Treasury suggest that despite the improving state of public finances he intends to keep spending as tight as a drum. It would be unduly risky for the Bank to have raised base rates now, given this stand.

Several other factors are also likely to be weighing heavily with members. Following the January sales bonanza the CBI's distributive trades survey suggests consumer spending is moderating, as prices pick up now the sales finish. Most retailers also appear to believe that conditions will deteriorate.

Moreover, after the G7 meeting at Lancaster House, where the dangers of the Asian crisis were discussed, the authorities in most of the leading industrial countries will clearly be reluctant to harden monetary policy now.

In Britain's case, raising rates could have been particularly risky given the current high value of the pound which floated up above the DM3 level last night despite the Bank's decision to sit tight.

NatWest scores

OLD NatWest Markets may be down and out, after the interest rate swaps fiasco, but its replacement, Greenwich NatWest — with its focus on fixed interest business — is enjoying its victories. Its latest is to emerge as winner from an auction for the student loans portfolio which began under the Tories a year ago, with 20 City firms in the ring, and emerged with Greenwich NatWest the winner.

The bank appears to have impressed the Government with its track record having been one of the leading securitisation exponents in the City last year when it strengthened its capital base by issuing \$10 billion of corporate loan portfolio.

The securitisation of government and private sector loans has been common practice in the US for decades, with an active secondary

market in areas such as mortgage backed securities. Slowly, but surely, the UK appears to be moving the same way. Nomura seems to have sown up the more entrepreneurial end of the market with its ventures in pubs, betting shops and Ministry of Defence housing.

NatWest appears to prefer the more financial end of the market as the student loans deal demonstrates. The decision on the pricing of the floating rate notes will be partly dependent on the complex actuarial modelling it has been doing on the nature of the portfolio and the subsidies it has received from the Government to offset the potential default. So the profitability of the exercise will largely depend on its design and modelling skills.

Certainly, there will be other opportunities too as building societies, like the Bradford & Bingley, seek to strengthen their capital structure by further loan sales as they did last year.

Given the known history of the mortgage area this does not seem unduly risky. But as with every new business which NatWest undertakes, this one is worth monitoring closely.

Defence ventures

GEORGE Robertson, defence secretary, has taken time out from his strategic review to examine an idea first floated more than 20 years ago in the wake of the Vietnam war. His green paper sets out the case for establishing a defence diversification agency to ease the transfer of technology from the military to civilian sectors and vice versa, and make good the UK's sorry track record in exploiting commercially products and processes first developed in defence labs.

The economic benefits should be tangible if the agency can promote in a systematic way the kind of spin-offs seen recently such as in night-vision cameras or speech recognition.

But Mr Robertson made plain, it's not an agency to promote arms conversion or compensate for reduced defence spending. Many of Britain's premier firms rely heavily on that. Sir Royce said yesterday defence accounted for 30 per cent of its sales while GEC is making defence its core business. The UK remains the world's second-largest exporter of arms.

The proposed agency might though allow taxpayers to get a better return on their money since it will form part of the existing defence evaluation and research agency (Dera) which spends £900 million a year developing radars, armoured vehicles, explosives and the like.

It might also promote coherence in government policy on science and technology that has been sadly lacking.

But it will remain firmly within Dera, an agency, as experts note, running out of money and, it is whispered, seen by Gordon as a candidate for privatisation. Step forward Dick Evans or George Simpson.

Chancellor's aide gives policy committee preview of Budget strategy

Bank pegs interest rates

Larry Elliott and Charlotte Denny

ONE of Gordon Brown's top aides helped save home-owners and businesses from a sixth post-election rise in interest rates by telling the Bank of England that the Budget on March 17 will keep the squeeze on the economy.

Gus O'Donnell, chief economic adviser to the Treasury, who sits as an observer on the Bank's monetary policy committee meetings, briefed members that the Chancellor will keep the public finances on a tight rein.

The Bank announced yesterday that it was keeping interest rates on hold at 7.25 per cent — a decision greeted with relief by industry leaders, mortgage lenders and the City. Rates have now been unchanged since November.

The likely shape of the Budget will have been one of the factors influencing the committee's decision and the Treasury wanted to ensure that the MPC was left in no doubt as to the Chancellor's intentions.

Mr O'Donnell does not have a vote at meetings of the eight-strong committee, but Mr Brown thought it sensible for the committee to know the direction his Budget would take.

Despite the recent rapid im-

provement in the public finances, the Chancellor is likely to come up with a neutral package, with any tax giveaways to the less well off balanced by increases elsewhere.

Yesterday's decision to keep rates on hold failed to relieve the pressure on sterling. The pound rose 1.4 pence against the mark, to close at DM3.004.

City analysts said the markets were not yet convinced that interest rates had peaked. Last month's inflation report revealed that the Bank still thinks there are risks that inflation could rise above its 2.5 per cent target.

Jeremy Peat, chief economist at the Royal Bank of

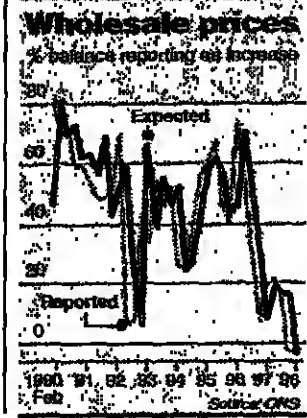
Scotland, said the Bank should make its intentions

clear. Otherwise, "uncertainty will continue and sterling's undue strength will be maintained for even longer."

Industry leaders said yesterday there were clear signs that the economy is cooling and inflationary pressures subdued.

"The economy is undoubtedly showing signs of weakness, especially in the manufacturing sector, and I believe rates are now probably high enough to contain inflationary pressure," said Ruth Lea, head of policy at the Institute of Directors.

The Confederation of British Industry also welcomed the decision to keep rates on hold. "Inflation pressures remain encouragingly sub-



Offer calls for crackdown on hard sell

Colin Weston
Industrial Correspondent

HIGH-pressure, doorstep-selling techniques could be outlawed under proposals put forward yesterday by electricity industry watchdog, Ofgem.

The plan to control sales practices is being put forward in an attempt to avoid electricity consumers becoming the victims of marketing practices similar to those that have dogged the opening of the domestic gas supply market.

The proposed new regulation would become part of the licence under which suppliers operate and would bring the rules governing electricity supply companies into line with those for companies competing to supply gas to domestic customers.

Professor Stephen Littlechild, director-general of Ofgem, said: "Concern has been expressed by the Electricity Consumers' Committee and other customer groups that some customers could be misled by poor marketing practices. Accumulating evidence from the gas

market suggests that this is a valid concern."

Among the safeguards outlined by Prof Littlechild are that suppliers be required to ensure that marketing is conducted by adequately trained staff and that full records are kept of customers' contracts.

In the gas market, complaints, such as agents convincing householders into signing contracts under the guise of seeking more information, are already controlled by a marketing licence condition which came into force earlier this year. Transgressors face penalties including heavy

fines or the withdrawal of their supply licence.

The need for such controls in the power supply industries was underlined last week when the Gas Consumers Council released figures showing an unprecedented level of complaints from consumers, with more notified in January than for the last six months of 1997 put together.

Problems cited included unethical sales techniques and marketing as well as delays in opening and closing accounts, unauthorised transfer from old to new suppliers, and transfers to new suppliers

after consumers had cancelled their contracts.

Prof Littlechild has time to put the safeguards in place, ahead of the electricity market opening because, despite having nearly eight years since privatisation to prepare, most supply companies have yet to complete installation of the necessary systems.

The postponement of the market opening from April to September will force millions of households to wait before being able to switch to a cheaper supplier and leave some unable to make the choice until June next year.

U-turn as Smith talks to rival Menzies

Roger Cowie

BRITAIN'S two oldest newspapers are set to merge after WH Smith admitted yesterday that it is negotiating to buy the shops belonging to its rival, John Menzies.

Menzies stressed it was too early to speculate on the outcome, but a deal worth about £55 million could be sealed early next week.

John Menzies said in January that it was pulling out of retailing after 165 years following several years of failure on distribution, including videos and music.

WH Smith, which is in the middle of a disposal programme, had said it was not interested in the rival chain. It stepped in after Menzies' talks with a potential venture capital buyer fell through. Yesterday, WH Smith would not say why it changed its mind, but is believed to have conceded that at £55 million it would make money.

Menzies has 220 stores. Its heartland is Scotland but it has a presence at station corners and airport terminals. WH Smith recently began to focus on such locations, seen as offering more growth than the high street.

WH Smith last year began restructuring to focus on its high street and travel outlets. Under new managing director, Beverley Hodson, the shops will emphasise newspapers, magazines and stationery. Menzies' shops would be converted to this format. Station and airport outlets would join the new travel division.

Some closures can be expected but, with the WH Smith shops in Scotland, there is little overlap.

CU offshoot is fined by Imro

Rupert Jones

A SUBSIDIARY of the Commercial Union Insurance company has been fined £125,000 following a series of rule breaches which left FEP investors out of pocket.

Investment firm Quilter Fund Management — formerly Foster & Braithwaite Fund Management — has paid compensation totalling £55,000 to more than 600 clients with tax-free personal equity plans.

Announcing the fine, industry regulator Imro said the company was guilty of a string of rule breaches including failing to pay interest due to some investors, making late payments to customers and delays in carrying out their instructions.

The fund manager, based in the City and part of stockbroker Quilter & Co, itself a Commercial Union subsidiary, must also pay costs of £55,000.

charges including failing to have systems in place to ensure all FEP money was separate from the firm's own funds, failing to keep full records of customer transactions and holdings, failing to pay interest on some balances, and not paying the premiums bearing little relationship to the services provided.

Yesterday the business of plastering bus stops with advertising achieved the sort of respectability that a £3 billion takeover offer can confer.

More takeover along soon

DAN ATKINSON
on £1/2bn offer for specialist bill-sticker

NOT so long ago, the only messages to be found in bus shelters were scrawled obscenities and tinseltown bearing little relationship to the services provided.

Yesterday the business of plastering bus stops with advertising achieved the sort of respectability that a £3 billion takeover offer can confer.

Britain's More group is vanishing into the maw of Clear Channel Communications, a US broadcaster, at a price of £446 million. It isn't More's billboards that have the Americans reaching for the chequebook — they invented them — but its expertise in putting advertisements on train announcements, on "street furniture"

lic agenda. Now its advertising industry is looking for ways to mine European expertise on a smaller scale.

More, along with France's JC Decaux group, leads the world in street-furniture advertising with its Adshel operation and pioneered deals with municipal authorities in which More would build bus shelters, lavatories and other installations in return for the right to exploit their advertising potential.

Clear Channel is paying a lot of money — a 25 per cent premium over More's closing price on Wednesday — for all those bus stops, and as Paul Richards of stockbroker Panmure Gordon pointed out, the costs are as fixed as they can be, while the revenue oscillates with the economy.

In 1998, he said, margins were 25 per cent, sliding to just 10 per cent in 1992, in that time, shelters and other installations soaked up maintenance costs, regardless of advertising revenue.

Nevertheless, he said, the trend favoured street furniture, global advertising spending in 1996 was \$300 billion, of which \$16 billion was outdoor advertising. Of that \$16 billion, just 5 per cent — less than \$1 billion — was accounted for by street furniture, but given high growth rates, the figure will certainly be higher now. "Street furniture is where the growth is".

Given the volatile nature of the business, and the large cost base, Mr Richards said blipper was definitely better. But how bus-stop advertising will work in the US, with its famously-sparsely public transport system, is unclear. Perhaps More will have to provide buses as well as shelters.



£1.1bn to switch to digital TV

Simon Bewts
Media Business Editor

THE switch to digital television, set to begin in earnest this autumn, could land consumers with a bill for an extra £1.5 billion if they want their video recordings to function fully.

That bill — calculated by consultants National Economic Research Associates — is on top of the estimated £5 billion to £9 billion they will need to spend on new equipment to receive digital signals.

News of the bill was brought to the fore by David Elstein, chief executive of Channel 5, in evidence to the Commons select committee on culture, media and sport yesterday.

Mr Elstein told MPs: "Viewers will not only have to replace every single TV set, but every single video will have to have a replacement or a digital box. The cost to the consumer will be enormous."

Digital TV will place the same limitations on videos that are currently imposed by satellite and cable. Viewers will only be able to view the digital channel they are watching or an alternative analogue channel if they are still receiving ordinary analogue TV.

It will be impossible, for example, for viewers to watch a digital football match and video a football from another digital channel unless they buy two set top box decoders — about £200 for pay-TV subscribers and £400 for others.

TOURIST RATES — BANK SELL

Australia 2,389	Germany 2,514	Malaysia 6,265	Singapore 2,641
Austria 2,407	Greece 4,621	Mexico 6,335	South Africa 7,911
Belgium 50,92	Hong Kong 12,40	Netherlands 3,268	Spain 2,452
Canada 2,288	India 85,03	New Zealand 2,776	Sweden 12,835
Cyprus 0,653	Ireland 1,171	Norway 2,977	Switzerland 2,338
Denmark 11,115	Israel 5,89	Portugal 2,977	Turkey 360,820
Finland 8,917	Italy 2,885	Saudi Arabia 5,07	USA 1,812
France 9,725			

Supplied by NatWest (excluding rupee, shatel and mollar)